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TWENTY-FIFTH BIENNIAL REPORT
OF THE
STATE HIGHWAY COMMISSION
OF
NORTH CAROLINA

1962-1963
1963-1964

Copies of this report may be obtained from
The Public Relations Department, State Highway
Commission, Raleigh, N. C.

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NORTH CAROLINA STATE HIGHWAY COMMISSION

Raleigh, North Carolina

FISCAL YEAR ENDED JUNE 30, 1963

FISCAL YEAR ENDED JUNE 30, 1964

DAN K. MOORE, *Governor*

MEMBERS OF COMMISSION

MERRILL EVANS, *Chairman*

CLIFTON L. BENSON

C. WATSON BRAME

JOHN O. BUCHANAN*

GRAHAM ELLIOTT

LAUCH FAIRCLOTH

JAMES K. GLENN

WILLIAM E. HORNER

TED JORDAN

D. WORTH JOYNER

JACK B. KIRKSEY

JAMES G. W. MACLAMROC

TOM MCLEAN

CLINT NEWTON

H. G. PHILLIPS

E. MURRAY TATE

J. ELSIE WEBB

J. GILLIAM WOOD

PAUL R. YOUNTS

W. F. BABCOCK, *Director of Highways*

C. W. LEE, *Chief Engineer*

BEN RONEY, *Director of Secondary Roads*

E. T. AIKEN, *Acting Controller*

*Mr. J. O. Buchanan was sworn in as a new member of the Commission on September 3, 1964, to replace Mr. Andrew Nesbitt who resigned in August, 1964.



LETTER OF TRANSMITTAL

Raleigh, N. C.
January 1, 1965

THE HONORABLE DAN K. MOORE
Governor, State of North Carolina

Dear Governor Moore:

In accordance with the provisions of Section 23, Chapter 2 of the Acts of the General Assembly of 1921 (GS-136-12), we respectfully submit herewith the Twenty-Fifth Biennial Report of the State Highway Commission of North Carolina.

Sincerely,

MERRILL EVANS, *Chairman*
W. F. BABCOCK, *Director*

FOREWORD

The General Statutes of North Carolina provide that the Highway Commission make a biennial report to the General Assembly which sets forth an account of the revenues received, the disbursements made therefrom, and describes the work accomplished during the two year period. This report is an account of the Highway Commission's activities for the biennium ending June 30, 1964.

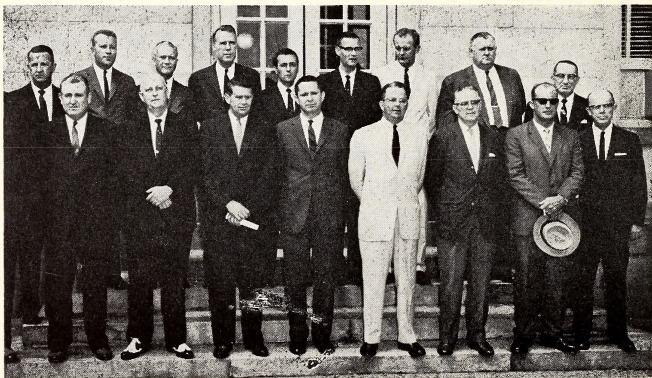
In addition to fulfilling the statutory requirement, it has been the aim of the Highway Commission to assemble the report in a manner that will illustrate the breadth and scope of the Commission's responsibilities and permit a better understanding of North Carolina's highway problems.

THE HIGHWAY COMMISSION ORGANIZATION

A large and complex organization is required for day-to-day maintenance and improvement of North Carolina's vast network of public roads. This organization consists of two basic components, the State Highway Commission and the State Highway Department.

In 1961 the State Highway Commission was reorganized to provide for a Chairman and eighteen members appointed by the Governor for four-year terms from different geographic areas of the State. The Chairman and the Commissioners represent the entire State and not any particular area. However, the State is divided into eighteen geographic areas to which each Commissioner is assigned to be responsible for relations with the public generally and with individual citizens regarding highway matters. In his assigned geographic area, the Commissioner is also responsible for working out plans for the maintenance and improvement of county roads in cooperation with local county officials and others and for recommending these improvements to the full Highway Commission.

The Chairman of the Commission presides at all monthly meetings and serves also as the full-time executive officer of the Commission and executes all orders, rules and regulations established by the Commission.



Members of the Highway Commission are shown, front row, left to right: Clifton Benson, Raleigh; Watson Brame, N. Wilkesboro; Graham Elliott, Washington; Lauch Faircloth, Clinton; Jimmy Glenn, Winston-Salem; W. E. Horner, Sanford; Ted Jordan, Robbinsville; and Chairman Merrill Evans of Ahsokie. Second row, left to right: Worth Joyner, Rocky Mount; Jack Kirksey, Morganton; James MacLamroc, Greensboro; Tom McLean, Fayetteville; Clint Newton, Shelby; Murray Tate, Hickory; Gilliam Wood, Edenton; Elsie Webb, Ellerbe; and Paul Younts, Charlotte. Commissioners Andrew Nesbitt and John O. Buchanan are not shown here.

Although the General Assembly of North Carolina, meeting biennially, adopts a budget for highway operations setting forth funds for certain basic administrative, maintenance and construction appropriations, the Commission has many and varied responsibilities. Among the more important policy-making responsibilities of the Commission are the following:

- (a) The establishment of appropriate formulæ for the allocation of maintenance funds for use in the various counties on the secondary road system, to the various divisions for maintenance on the primary road system, and to the various urban areas for maintenance of state highways within these incorporated municipalities.
- (b) Within the framework of total funds made available by the General Assembly, the Commission approves individually all construction improvement projects on the secondary road, primary road, urban, and interstate systems.
- (c) The adoption of thoroughfare plans which serve as the official guide for the development of streets and highways within the urban areas.
- (d) The designation of those routes that shall be made a part of the primary system and the appropriate NC route number. Also, the Commission recommends additional or the extension of certain US route numbers to the American Association of State Highway Officials.
- (e) The adoption of appropriate ordinances for the acquisition of or condemnation of rights of way necessary for highway construction.
- (f) The approval of all contract bid awards.
- (g) The passing of ordinances for speed limits and all traffic regulatory devices.
- (h) The adoption of all ordinances relative to the use of the highways, load limits and exceptions for over-size and over-width vehicles, including special permits.
- (i) The formulation of the overall general policies and the adoptions of such rules and regulations as the Commission deems necessary to govern the maintenance, construction and operation of the highways of the State.

Aside from the over-all management by the Commission, the State Highway administration and general management in North Carolina is directed and supervised by the Director of Highways. There are approximately 11,000 permanent and temporary employees in administrative, engineering and maintenance capacities who serve under his supervision.

For the purpose of carrying out policies and procedures set forth by the Commission, the Director of Highways has a number of staff

departments. These include public relations, personnel, finance, planning, advance planning and traffic.

The Director, in turn, delegates authority to the Chief Engineer for the wide area of highway activities concerning engineering.

Centralized in the Raleigh office are the location, design of highway improvements and right of way acquisition phases of the system's responsibilities. Actual construction and maintenance operations are handled by administrative personnel in fourteen division offices located throughout the state and are supervised by the division engineers, who act as administrative officers. These engineers report directly to the Chief Engineer.

Maintenance activities are further divided into 34 districts, reporting to the 14 highway divisions. A great deal of this work is still done by prisoners.

Traffic marking and signing operations are normally handled within the separate division operations. All basic policies and procedures for these operations are developed by the Traffic Engineering Department at the Raleigh office.

The majority of all construction work is conducted by private enterprise contractors. After bidding for the work, these contractors carry it out under the rules, regulations and specifications of the Highway Commission.



The Sea Level, which plies daily between Ocracoke and Cedar Island. North Carolina has four state-owned ferry systems, all under the jurisdiction of the Highway Commission.

THE STATE HIGHWAY SYSTEM

North Carolina has the largest State operated and managed highway system in the United States. The Highway Commission has financial responsibility and direct jurisdiction over approximately 72,250 miles of roads and highways. The magnitude of this system can be understood when it is realized that of all miles of highways under State jurisdiction in the country, over 10 percent of that mileage is in North Carolina.

The importance of the State Highway System to North Carolina is equally obvious when it is realized that the System comprises 88 percent of all streets and highways within the State. Of the remaining 12 percent, more than 10 percent are maintained by local municipalities, and approximately 2 percent are maintained by public agencies such as the Park Service, Forest Service, and Wildlife Commission.

SUMMARY OF STREET AND HIGHWAY MILEAGE

Classification	Length (Miles)
State Highway System:	
State Primary Highways	11,560
State Secondary Roads	57,540
State Urban Highways	3,150
Municipal Street Systems	8,460
Other	1,620
TOTAL	82,330

The 11,560 mile system of State Primary Highways consists of Interstate, U. S. and N. C. numbered routes. This is the basic arterial network providing Statewide service. The State Primary Highways have been classified into three functional categories as follows:

The Trunk System is a coordinated, continuous, intra-state network of major primary routes connecting centers of high economic, population, and recreational importance within the State and connecting with routes to similar centers in adjoining States. This System comprises approximately 2500 miles of numbered highways where the main purpose of the road is to handle large volumes of traffic involving lengthy trips with desired average speeds of 50 to 55 miles per hour between point of origin and destination;

The Trunk Feeder System comprising approximately 3000 miles of routes where traffic has predominately shorter trips and where the motorist is moving to the Trunk System or to smaller communities.

This system serves to handle traffic and also abutting land use. Here the driver desires to average from 45 to 50 miles per hour; and

The Rural Collector System, comprising the remaining 6000 miles of the primary highways is in reality composed of important feeder routes serving to carry traffic from the secondary roads to the Trunk Feeder and Trunk routes and serving primarily abutting land use with traffic moving at slower speeds and having shorter trips. On this system the driver generally desires to average 40 to 45 miles per hour.

The largest segment of the State Highway System consists of the Secondary Roads or County Roads. Whereas most States finance the majority of their county roads with the aid and supervision of county governments, North Carolina is unique in that her secondary or county roads are a part of the State Highway System. This step forward was made as far back as 1931. This part of the System consists of over 57,500 miles. Approximately 28,200 miles are paved and the major portion of the remaining mileage is graded to reasonable standards and stabilized so that the roads are very nearly all-weather roads. North Carolina ranks very high among the States in the percentage of paved Secondary Roads; however, the need for additional paved mileage can best be understood when it is realized that about 600,000 people in North Carolina live on unpaved Secondary Roads. The adequacy of these Secondary Roads will continue to have an increasingly profound effect on the overall economic development of the State.

The North Carolina State Highway Commission also has one of the largest urban responsibilities of any State highway agency. The Commission is responsible for approximately 3,150 miles of municipal streets on its State Urban Highway System in some 500 cities and towns. In most every city all of the major thoroughfares and arterial routes are a part of the State Highway System.

HIGHWAY REVENUES AND EXPENDITURES

The Highway Commission obtains all its State Revenue from the Highway Fund, which is derived wholly from a 7-1/4 cent per gallon gasoline tax, license fees, registration fees, and commercial carrier franchise taxes. One cent of the gasoline tax is pledged to pay off the two hundred million dollar secondary road bond issue of 1949 and one-half of one cent of the gasoline tax is used to aid the municipalities in improving the city streets which are not a part of the State Highway System.

In contrast with most other States, there are no property taxes for roads in North Carolina, and none have been levied for current operation for over 30 years. Nor does the State's General Fund aid the Highway Fund in any way.

Each year Federal funds are allocated to the States on a matching basis. The Federal-Aid primary, secondary and urban appropriations, commonly known as ABC funds, must be matched on a 50-50 basis. These ABC funds are allocated on a fixed formula that considers the area of the State, the population of the State, the rural post mileage, and the number of persons living in cities and towns having populations of 5,000 or more. The Federal-Aid Interstate Funds are made available to the States on the basis of 90 percent Federal funds and 10 percent State Funds. The amount of Federal-Aid Interstate Funds that each State receives each year is based on the relative need in terms of the cost to complete the Interstate System. The States may use these Federal funds only for construction or reconstruction—not for maintenance. These Federal funds are generally obtained by the Federal Government from a 4 cents per gallon gasoline tax and certain other commercial vehicle and excise taxes.

During the fiscal years ending June 30, 1963 and June 30, 1964, the Highway Fund received the following amounts:

Source	1962-63	1963-64
State Revenue:		
Net 6¢ State Gasoline Tax	\$97,124,017	\$99,891,385
Gasoline Tax Refunds to State	965,076	1,121,069
Gasoline Inspection Fees	0	4,292,691
Motor Vehicle Licenses	36,374,416	38,284,272
Titles, Interest, and Miscellaneous	3,943,082	4,487,798
Total State Revenue	\$138,406,591	\$148,077,215
Participation Revenue:		
Federal-Aid	43,955,048	45,877,706
Property Owner and City & Town	2,199,804	3,427,668
Total Participation Revenue	\$ 46,154,852	\$ 49,305,374
Secondary Road Bond 1¢ Gasoline Tax	\$ 16,800,103	\$ 17,534,904
Total Revenue	\$201,361,545	\$214,917,493

As noted above, not all of the revenues are available for regular Highway Commission operations. As shown below, after deduction of the 1949 Secondary Road Bond debt service and other non-highway appropriations, approximately 177 million dollars of the total revenues (including Federal-Aid Funds) during the 1963-64 fiscal year were available for Highway Commission operations.

Total Revenues, 1963-64		\$214,917,493
Less:		
Secondary Road Bond		
1¢ Gasoline Tax	\$17,534,904	
State Aid to Municipalities	8,093,668	
Department of Motor Vehicle	11,778,150	
Department of Agriculture	334,865	
Utilities Commission	160,609	37,902,196
Funds Available for Highway Commission Operations		\$177,015,297

The Expenditures for the biennium were as follows:

Non-Highway Departments:	1962-63	1963-64
Department of Motor Vehicles	\$ 13,030,210.77	\$ 14,378,986.96
Department of Agriculture	—	329,924.00
Utilities Commission	150,238.15	156,491.71
State Aid to Municipalities	7,640,707.92	8,075,652.53
Total Non-Highway Departments	\$ 20,821,156.84	\$ 22,941,055.20
Highway Commission:		
General Administration	\$ 1,629,784.48	\$ 1,825,310.95
Engineering Administration	4,860,817.14	5,155,315.42
Contributions to Retirement System	2,827,835.32	3,030,823.61
State Maintenance Construction:		
Primary System	24,816,914.29	21,786,934.41
Secondary System	65,341,397.85	57,569,637.29
Urban System	3,312,764.08	3,358,020.61
Public Service Roads	1,129,575.51	1,087,417.72
Federal-Aid Highway Construction	66,364,565.12	77,261,747.74
Capital Improvements	391,045.72	1,525,581.18
Total Highway Commission	\$170,674,790.51	\$172,600,788.93
Debt Service Retirement	\$ 12,312,062.50	\$ 12,355,187.50
Grand Total	\$203,808,009.85	\$207,897,031.63

It should be noted that expenditures during a particular fiscal year may not be directly related to the revenues for that period since expenditures could include funds for construction projects, or other items, encumbered during previous budget periods.

ACTIVITIES DURING THE 1962-1964 BIENNIUM

Due to the broad range and magnitude of responsibilities covered by the day to day operations of the State Highway Commission, it is impossible to present a detailed description of the many activities and accomplishments. This section of the report briefly outlines some of the new legislation, policies, procedures and activities which occurred during the past biennium.

Personnel

Resulting directly from action taken by the Highway Commission, the State Personnel Department and the Governor, the working hours for 7,000 Highway employees located outside of Raleigh and the fourteen Division Offices were reduced in 1964 from 45 to 40 hours a week. No reduction in pay accompanied this change in personnel policy. This great improvement in Highway working conditions was achieved by increasing the number of employees in several departments, but modernization of equipment and labor-saving devices helped to keep down the labor costs of this measure in many instances.

During the Biennium, a two-year study of the entire engineering organization was completed in cooperation with the State Personnel Council. The findings of this study eloquently pointed out that State Highway salaries were not competitive and that, with increasing numbers of engineers reaching retirement age, North Carolina could no longer meet national engineering personnel standards with but an estimated 30 percent of the employees in this field possessing a degree in engineering. Again in conjunction with the State Personnel Council, the Personnel Department promptly set about to remedy this condition by drawing up a completely new engineering salary scale and proposing a system of classification to increase current salaries up to 15 percent. The study group also decided to change the requirements for the engineering grades so that they included both a college degree and registration as a professional engineer for certain administrative positions. The entire program will gradually be phased into action over a period of five years and will help to boost the State's chances of competing with other agencies in offering more attractive jobs to college graduates. And, quite obviously, it will eventually provide great strength for the whole engineering operation.

At the same time, the Highway Commission spent more than \$50,000 during the past two years for in-service training courses to develop previously unavailable engineering technicians. Plans were drawn up in which the State will pay half the cost of special in-service examinations and training programs to help Highway personnel in the

preparation for further education and better service to North Carolina. These training programs are mainly in the fields of surveying and mathematics.

Other salary adjustments, changes in working rules and new classifications developed by the Personnel Department during the last two years include the realization of longevity pay for State employees, the presentation of framed certificates for retirement and for years of service, as well as for suggestion awards, and the establishment of a Highway Personnel Review Board to pass upon all promotions above Engineering Technician III.

Planning

North Carolina is one of the leaders in urban transportation planning because of the enactment by the General Assembly in 1959 of a General Statute requiring the cooperative development of long-range thoroughfare plans to serve as the basis for expenditure of State highway funds in each urban area. As of July 1, 1964, thoroughfare plans for 44 urban areas had been formally adopted as official policy guides by both the Highway Commission and the respective municipality. Thoroughfare plans for many other urban areas are under development.

Due to these accomplishments, the impact of the Federal Highway Act of 1962 was not felt as greatly in North Carolina as in many other states. This Act requires that after July 1, 1965, all Federal-aid projects in urban areas of more than 50,000 population be approved only if they are based on a continuing comprehensive transportation planning process being carried on cooperatively by the States and the local communities. There are eight cities in North Carolina with populations in excess of 50,000. These are Asheville, Charlotte, Durham, Fayetteville, High Point, Greensboro, Raleigh and Winston-Salem. All of these municipalities have comprehensive transportation planning processes and should have no difficulty in meeting the Federal-aid requirements. As part of the continuing cooperative process the thoroughfare plans for Raleigh, Durham, Greensboro and Winston-Salem are being reviewed and updated.

Significant advances in the area of long-range planning have been made during the past biennium. A thorough analysis of the entire State Highway System has been completed. This study details the deficiencies, the type of improvement needed, whether it will be possible to improve along existing alignments or be necessary to relocate, and the cost of the needed improvements. As part of the study, electronic computer techniques were developed which will enable the Highway Commission to keep long-range planning on a current basis. The computer techniques will also make it possible to keep an up-to-date knowledge, on a continuing basis, of the levels of service being



An Origin-Destination survey in progress.

provided by the State Highway System and to evaluate the adequacy and rationale of the levels of service. A brief summary of the long-range highway construction needs is presented in the latter part of this report.

During the biennium, traffic origin-destination surveys were completed for twenty-five urban areas, several specific routes, and several regional areas. Traffic count data were collected for the entire State Highway System. These studies were essential in order to keep abreast of the travel patterns and desires of the motoring public and to provide the basic data for determination of highway and street improvements.

Also during the biennium, two statewide series of county maps (approximately 175 maps in each series) were revised at a cost of approximately \$200,000. Constant field re-inventory is required to maintain the high standards and excellence of these maps.

Many other activities, including such tasks as the preparation of planning reports for highway improvements, truck weight surveys, speed studies, municipal street finance studies, inventory of highway facilities, highway construction progress reports, preparation of bridge log for defense transportation, compilation of mileage data, analysis of economic data, review of commercial driveway entrance requests, and allocation of State aid to municipalities (Powell Bill) are performed annually or on a continuing Statewide basis.

Right-of-Way

Expenditures for right-of-way acquisitions during this biennium totaled nearly \$21,000,000 for new construction. Of this total a great proportion was spent in the purchasing of an estimated 35,000 parcels of property that were needed for the building of primary and urban roads.

For the express purpose of providing assistance and advice to persons displaced by highway improvements a special section of the department was organized in cooperation with the Bureau of Public Roads. As further consideration of these people, the time for relocation was lengthened from 90 days to a six-month notice.

Policies covering utility relocations in municipalities have been developed and a special section of the department formed to assist both towns and utility companies in making the necessary revisions of utilities for contract construction. It is felt that these new developments will facilitate relocation requirements for all concerned.

To insure the best possible use of properties owned and rented by the Highway Commission a special property management section has been created. An advance right-of-way acquisition policy was developed and funds were established by the administration so that the Highway Commission can now obtain right-of-way properties in urban areas for future development of new crosstowns, bypasses and major thoroughfares. By this foresighted measure the Commission anticipates saving many millions of dollars for North Carolinians.

With the hope of increasing efficiency within the department, the Right-of-Way section has compiled a manual for all personnel which clarifies policies and procedures.

In order to ascertain the fairest and most reasonable value of property damage claims by property owners whose land has been condemned, the Right-of-Way department has enlarged its appraisal section to incorporate additional appraisers and more comprehensive in-service training programs for employees.

Construction

In an effort to solve mutual problems, the Highway Commission and the Associated General Contractors formed a joint committee several years ago. At two major Highway Conferences and a number of meetings during the past biennium the State Highway specifications were thoroughly revised and modernized. The main purposes of the Construction Department in pursuing this vital course of interest and action were to save North Carolinians a considerable amount of money, to set forth and clarify the responsibility of both the contractor and the State, to permit more economical completion of neces-

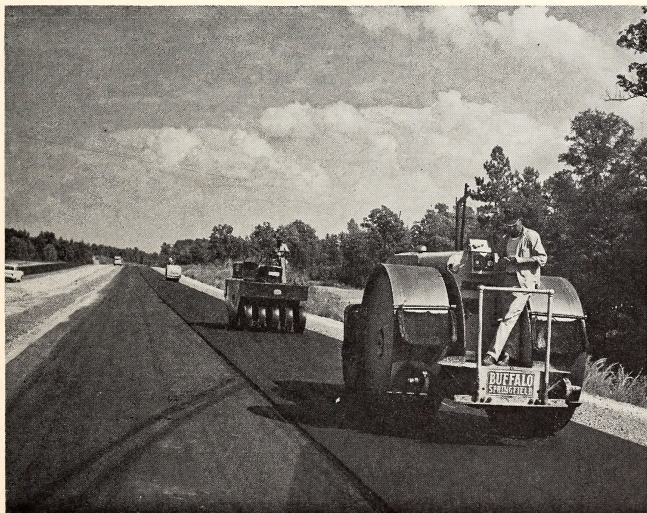
North Carolina State Library Raleigh

sary construction and to speed up the time of construction on any given project. These admirable aims on the part of the Construction Department and the Associated General Contractors have been achieved by the installation of two kinds of completion date contracts, the development of the concept of changed conditions and a score of other general construction practices and specifications that have been modernized.

New legislation on contractors' claims against the State was adopted by the General Assembly in 1963, permitting a fairer policy of action for both the State and the contractors.

The AGC Committee, in addition to its regular functions, teamed with the Administration to develop many other formats for the methods and procedures of construction work. To aid in the interpretation of correct construction activity the Highway staff has recently finished the first draft of a 1200-page construction manual for engineers and contractors.

Portable testing plants have been set up at construction sites for the purpose of testing materials on the job, thus cutting down the time of construction tests from several days to several hours, giving the contractor prompt information as to whether his materials are meeting the specifications, and eliminating many claims.



Three stages of construction work are shown here, using three separate kinds of rollers.

In this same vein, a new testing laboratory is at present being built. According to plans, it will be one of the most modern in the United States and will enable the Construction Department to conduct far more accurate tests, thereby giving North Carolinians even better roads than they now have.

As a further attempt to improve Construction Department results, new design policies have been fulfilled and research has been conducted in pavement analysis which will furnish pavements with longer duration at less cost.

In order to keep pace with the ever-mounting traffic volumes and highway obsolescence, the State Highway Commission, in 1963, let to contract 1,109 contract-miles of improvements on highways, streets, and secondary roads valued at \$59,248,900. Of the \$59 million dollars, some \$15,164,000 was for projects on some 50 miles of Interstate Highways. The remaining \$44 million was distributed between other Trunk System Routes, the Trunk Feeder System, the Rural Collector System, and the Secondary System.

During 1964 the North Carolina State Highway Commission surpassed all previous records by letting highway and secondary road contracts valued at \$83,616,400 for some 1,377 contract-miles of rural and urban construction. Of the 83 million dollars, \$27,776,800 was for work on some 72 miles of Interstate Highways. The remaining \$54 million was distributed between other Trunk System Routes, the Trunk Feeder System, and the Rural Collector and Secondary Road Systems.

The total value of the contract lettings during this biennium were the largest for any biennium thus far. A tabulation of the value of contract lettings for the period 1946-1964 is as follows:

Calendar Year	Contract Amount
1946	\$19,486,600
1947	23,581,800
1948	25,972,800
1949	24,487,700
1950	40,123,000
1951	42,201,800
1952	38,028,200
1953	36,290,700
1954	42,122,600
1955	39,049,700
1956	40,829,700
1957	65,916,500
1958	62,673,200
1959	60,387,500
1960	44,045,100
1961	58,982,000
1962	66,488,200
1963	59,248,900
1964	83,616,400

A listing of the Federal-aid projects let to contract during the 1963-64 biennium is included as Appendix C.

A listing of the State Projects let to contract during the 1963-64 biennium is included as Appendix D.

Some of the more significant projects which were completed during 1963 and 1964 are listed below. The costs shown are the contract construction costs and do not include right-of-way and engineering costs.

Interstate Route 40:

The first section of I-40 west of Asheville is now complete and opened to traffic. This section, known as the Canton Bypass, extends for some 11.9 miles from west of Clyde to Luther, and was built at a cost of \$6,533,998. It is expected that this new facility will greatly improve traffic congestions in downtown Canton.

Interstate Route 40:

This grading project from the Tennessee State Line, along the Pigeon River, to Cold Springs Creek, a distance of 6.3 miles, was completed at a cost of \$2,922,961.

Interstate Route 77:

Grading and structure contracts valued at \$1,575,307 were completed on the section of I-77 extending from Rena to a point northeast of Elkin. Included in this work was a spur between I-77 and US 21 north of Elkin which will serve as a bypass for US 21 traffic. The above contracts exclude the Yadkin River crossing east of Elkin.



Part of the vast undertaking by the Highway Commission at Pigeon River. Along the road near the top of the cut several trucks may be seen.



Aerial view of part of the work being done at the Pigeon River Project near Waynesville.

Interstate Route 85:

Work has been completed for grading and structures on the section of I-85 from approximately 2 miles east of Kings Mountain to US 321 in Gastonia. These contracts involved some \$3,067,110 for 8.1 miles. The paving is now under construction.

Interstate Route 85:

Work was recently completed on a 2.8 mile section of I-85 between US 321 north of Gastonia and existing I-85 east of Gastonia. The contracts for this improvement were valued at \$2,575,648.

Interstate Route 85:

From NC 61 at Whitsett to NC 54 near Graham, 10.8 miles, the original two-lanes were resurfaced, shoulders reconstructed, and culverts extended. Including fencing and signing these completed contracts involved some \$822,775.

Interstate Route 95:

I-95 between Weldon and Virginia State Line has been paved, fenced, signed, and a Rest Area built, just south of the Virginia State Line, at a cost of \$1,664,654 for 8.2 miles.

US 1:

The relocation of US 1 from Merry Oaks northeast to a point on NC 55 near Apex. This 10.6 mile relocation has full control of access.



A section of US 1 near Apex that has been recently opened to traffic.

US 1:

The Relocation of US 1, via Raleigh Belt Line, from Western Boulevard southwest of Raleigh to US 1 and 401 northeast of Raleigh is now open to traffic. This modern four-lane facility which bypasses Raleigh on the north and west was completed at a cost of \$3,454,066 excluding some fencing and signing still under way and a grading and structure contract of \$1,620,279 which was completed during 1962.

US 1, 15, 501:

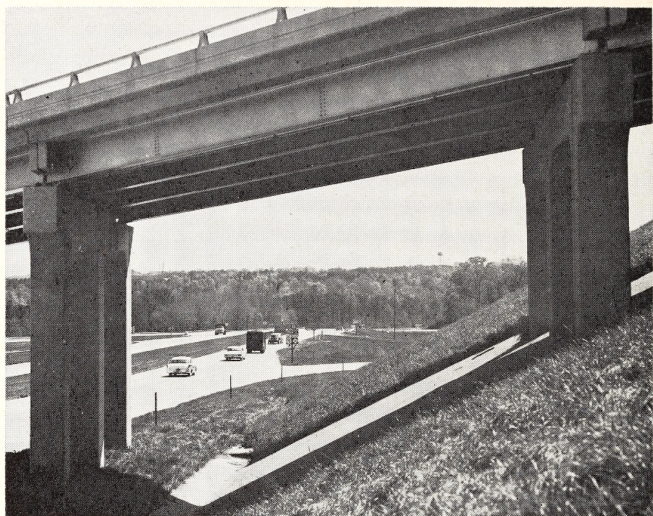
US 1, 15, and 501 from north end of the Sanford Bypass north for about 2.2 miles was widened to four-lanes with a four foot median for \$296,647.

US 1, 64:

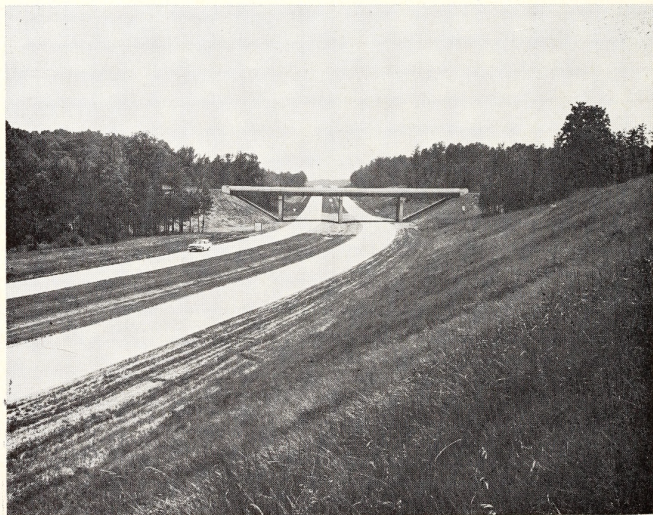
The Raleigh Belt Line has been extended from its former terminus at US 70 West to US 64 at Boushell, a distance of 6.6 miles. This four-lane divided full control of access facility will serve traffic to and from the fast developing northern and eastern environs of Raleigh as well as serving as a bypass for through traffic which otherwise would be routed over the much congested Raleigh Streets. The contract for this segment of the Belt Line had an aggregate value of \$3,157,294 exclusive of the structure work completed during 1963.

NC 6:

A 1.8 mile section of Lee Street in Greensboro has been widened at a contract cost of \$339,884 thus providing a four-lane facility between the Central Business District of Greensboro and Interstate Route 85.



The Raleigh Beltline is proving to be quite a time-saver for motorists in the area.



Newly-opened segment of the Raleigh Beltline.

NC 12:

Perhaps one of the most significant highway improvements in eastern North Carolina was the recent completion of the bridge over Oregon Inlet at a cost of \$3,977,333. The opening of this new facility, in addition to providing better and faster transportation between the Outer Banks and the Mainland, also makes possible better ferry service at other places on the coast by the release of the ferry which heretofore operated across the Inlet.

NC 13, 64:

This project widened the Williamston Bypass, US 13-64, to a four-lane divided facility at a cost of \$444,854 for a length of 2.8 miles. The work also involved reconstruction and/or resurfacing the existing lane.

US 17:

US 17, Elizabeth City Bypass, has been modernized to a four-lane curb and gutter facility with a mountable median. Including resurfacing of the existing lane the contract cost for this 4.7 mile improvement was \$891,568.

US 17:

The section of US 17 between Chocowinity and the Pamlico River Bridge at Washington was perhaps one of the most congested rural highways in eastern North Carolina. To alleviate this condition, this 22-foot roadway was widened to a four-lane facility involving a cost of \$409,138.

NC 18:

The widening and resurfacing of NC 18 in Morganton from College Street southeast to I-40 have been completed involving a contract cost of \$205,561 for 1.8 miles.

NC 18, 268:

This contract consisted of widening NC 268 and NC 18 in North Wilkesboro to a 44-55 foot curb and gutter section for a distance of about 1 mile at a cost of \$223,970.

US 19:

A bridge and approaches on new location has been built over Hiwassee River southwest of Murphy on US 19. This grading, paving and structure contract was let at a cost of \$489,590 for 1.2 miles.

US 19 E:

A grading and paving contract has been completed in Yancey County for the reconstruction of US 19-E between Burnsville and Micaville, a distance of 6.4 miles. The contract cost for this work involves \$636,038. The structure contract was completed during 1962.

US 23:

In order to eliminate traffic "slow downs" caused by heavy trucks climbing steep grades some 6.2 miles of climbing lanes were built on US 23, south from the Tennessee Line, at a cost of \$663,609.

NC 28:

A section of NC 28 between Stecoah and the Nantahala River has been graded, paved, and structures built, at a cost of \$924,717 for 6.9 miles.

US 29:

One of the major arterial highways in Guilford County, US 29 from O'Henry Boulevard to the Rockingham County Line, has been widened to a four-lane divided facility with controlled access. The length of this project is 11.2 miles, and the cost involved some \$2,133,940 for grading, paving, signing, and fencing. These contract costs are exclusive of \$413,510 for structures which were completed in 1962.

US 29:

In order to improve traffic flow and eliminate hazards on US 29 between Buffalo Creek, south of Concord, and China Grove the median strip was reworked to provide deceleration lanes for left turn movements. Also, in connection with this work, many entrance roads were channelized. The contract for this improvement was valued at \$609,978.

US 52:

A section of the Winston-Salem North-South Expressway, from Diggs Boulevard north to 3rd Street, has been paved at a cost of \$413,098. This is in addition to \$1,064,795 for the grading and structure work which was completed in 1961.

US 52:

US 52 from Peden Street, near the north city limit of Winston-Salem, northerly to Pilot Mountain, a project distance of 24.1 miles, has been opened to traffic. This four-lane limited access facility was completed at a contract cost involving some \$8,043,079 for grading, paving and structures, exclusive of an additional \$2,440,532 of grading and structures work which was completed in 1962.

US 52:

A 1-mile section of the North-South Expressway, between Third Street and Northwest Boulevard, in Winston-Salem, was completed at a cost of \$1,781,384.

US 64:

US 64, east of Raleigh, from near Belt Line intersection to east of Knightdale was remodeled to a four-lane divided facility at a cost of \$1,867,623 for 8.5 miles including a parallel bridge over the Neuse River.

US 64:

A 3.6 mile limited access relocation of US 64 north of Apex was completed at a cost of \$806,483. This facility, which connects to new US 1 southwest of Raleigh, in addition to replacing an obsolete highway, serves as a bypass for Cary thus alleviating traffic congestions through the central business district of that city.

US 64:

The paving, fencing, and signing on relocated US 64, between Nashville and Rocky Mount, were completed at a cost of \$938,777 for a project length of 10.3 miles.

US 64-70:

A 1.8 mile section of US 64 and 70 between Hickory and Hildebran has been dual-laned at a cost of some \$366,925.

US 70:

Between Beaufort and Morehead City a new bridge has been built over the Newport River at a cost of \$2,118,549. This new bridge is some 3200 ft. long, has a 28 ft. roadway clearance and sidewalks on each side. The work also included building about 1¼ miles of four-lane approaches.

US 74:

US 74 from Washburn Switch Road to NC 18 in Shelby, a distance of 4.2 miles, has been widened to a four-lane divided facility at a cost of \$1,250,289.

US 29-74:

The contract for widening and resurfacing Wilkerson Boulevard from Old Dowd road, in Charlotte, to the Catawba River Bridge, a distance of 5.4 miles was completed at a cost of some \$1,321,267.

NC 87:

Additional lanes with curb and gutter were constructed on NC 87 Bragg Boulevard, from Rowan Street, in Fayetteville to Fort Bragg Reservation at a cost of \$784,618 for 5.9 miles.

NC 98:

NC 98 from Miami Boulevard in Durham easterly to SR 1847 at Oak Grove has been widened to a 44-foot curb and gutter section at a cost of \$455,633 for a distance of 3.1 miles.

US 158:

The grading, paving, and structure for an additional lane on US 158 between Roanoke Rapids and Weldon have been completed at a cost of \$597,200 for 2.7 miles.

US 220:

The grading and structures on the relocation of US 220 from north end of Madison-Mayodan Bypass, northerly to Price have been completed at a contract cost of \$972,649 for 6.0 miles.

US 220:

Future US 220 in Greensboro, from Walker Avenue north along Aycock Street, and tying into Westover Terrace, and connection, were built at a cost of \$761,845 for grading, paving, and structures.

US 220:

A high-type four-lane limited access facility is being built as a relocation of US 220 from Ulah to NC 49A bypassing Asheboro on the West. The grading work and structures on this 10.9 mile highway were completed during 1964 at a cost of \$2,616,587. This does not include an additional structure contract valued at \$630,441 which was completed during 1963, and the current paving contract valued at \$1,930,678.

US 220:

Beginning at the north end of the Madison-Mayodan Bypass and running northerly to near Price, a new two-lane limited access highway has been built to replace the obsolete section of US 220 through Stoneville. The length of this project was 6.0 miles and the cost \$821,509 for paving only. The grading and structure contracts were completed during 1963.

US 221:

The 1.8 mile section of US 221 between Jefferson and West Jefferson has been widened and reconstructed to a four-lane facility at a contract cost of \$341,839.

US 301:

US 301, Rocky Mount Bypass, has been dual-laned at a cost of \$1,454,253 for 8.9 miles.

US 311:

A 1.4 mile section of US 311 has been reconstructed in High Point at a cost of \$477,737.

US 321:

The existing dual-lane facility of US 321 in Caldwell County has been extended southward for 3.6 miles across the Catawba River to near Second Avenue in Hickory. The contract cost for this widening, including the Catawba River Bridge, amounted to \$761,030.

US 401:

A contract for widening and resurfacing US 401-Ramsey Street in Fayetteville from Rowan Street to north of Tokay has been completed involving \$786,692 for 5.2 miles.

US 421:

Some 11.3 miles of US 421, from Shipyard Road in Wilmington to Carolina Beach, have been dual-laned at a cost of \$3,019,535, including a new bridge over the Inland Waterway.

Wendover Avenue in Greensboro, from Raleigh Street east to Burlington Road, has been graded, surfaced, and structures built involving a cost of \$791,572 for 2.1 miles.

Atlantic Avenue in Rocky Mount was extended for 1.9 miles at a cost of \$298,961.

The Old Wake Forest Road in Raleigh was widened from near North Boulevard to the Belt Line, a distance of 1.4 miles. The cost of this improvement, including the bridge across Crabtree Creek, amounted to \$453,433.

Six Forks Road from Old Wake Forest Road to near the Raleigh Belt Line was widened at a cost of \$399,043 for 2.5 miles.

Relocation of SR 1009 between Hillsboro and I-85—\$351,925 for 1.1 mile.

Reconstruction of Kenilworth Avenue and Fernwood Drive in Charlotte—\$442,335 for 1.6 miles.

Construction of new lanes on Silas Creek Parkway in Winston-Salem—\$1,223,774 for 3.8 miles.



Herbert C. Bonner bridge at Oregon Inlet. This magnificent bridge, spanning the gap between Bodie Island and Hatteras Island, was completed seven months ahead of schedule and has taken away a great part of the isolation of Hatteras from the outside world.

Secondary Roads

The Secondary Roads Department of the Highway Commission, during the 1962-64 biennium, paved a total of 1,600 miles of secondary roads and provided general improvements of widening, minor realignment, improved drainage and stabilization for an additional 2,160 miles of unpaved roads. Total expenditures for this period were \$44,377,752.02.

Priority for the roads improved was based on a comprehensive needs study conducted by field forces of the Highway Commission in all North Carolina counties. This study included an indication of traffic volume, number of houses, businesses and other buildings served by the road and was a main factor in the rating of county roads for present and future paving. State construction funds were then allocated to each county on this basis and in consideration of the total mileage of unpaved roads, thus insuring each county's equitable share of the total funds.

In order to supply sufficient means of ingress and egress to the increasing number of new and expanding industries in North Carolina, the Highway Commission programmed and constructed 95 industrial access roads within the Access and Public Service Road Fund, 145 school bus driveways at public schools to comply with North Carolina Highway and Road Laws, and 41 other access roads generally serving the travelling public, National Guard armories, State-owned and non-profit recreational areas, all at a total cost of \$2,216,993.23.

Further accomplishments of this department include the processing of 2,964 new requests from property owners on non-highway system streets for addition to the state system and the re-processing of more than 1,200 previously ineligible requests. This processing resulted in the formal approval by the Highway Commission for adding more than 750 miles of new streets and roads to the State Secondary Road System.

Maintenance

Since North Carolina has the largest state-controlled highway system, the greatest single expenditure of state funds is for the general maintenance and upkeep of the 72,250-mile system. Maintenance costs vary from \$450.00 per mile per year for an unpaved road to \$900.00 for a paved secondary road, with a maximum of \$4,500 per mile annually for maintaining the Interstate Highway System.

Perhaps the most important progress in the entire maintenance system has been the decision of the 1963 General Assembly to cut down the number of prison employees that the Highway Commission is responsible for, in use and in pay, from 7,000 to 3,580. The decreasing number of prisoners and greater amount of them going on work



One of the many rest areas found on North Carolina highways. This, like the others, is maintained by the highway Maintenance Department.

release made this revision possible. Working cooperatively together, the Prison Department and the Highway Commission closed many prison camps during the biennium and have already begun the complicated task of phasing out of highway usage some of the "gun prisoners," who are generally acknowledged to be highly inefficient for maintenance purposes. Because of this reduction in prison forces the Highway Commission has been able to begin modernizing its entire maintenance operation, including more efficient mechanization processes and the minimizing of maintenance costs. Thus, even though personnel costs continue to increase due to higher wages and cost of living, the Highway Commission is assured of being able to keep maintenance expenses at a reasonable level.

Within this mechanization framework in the Maintenance Department, considerable success has resulted from the use of giant mowing and grubbing machines and the use of more modern equipment for laying pipe, thus eliminating a great deal of hand labor.

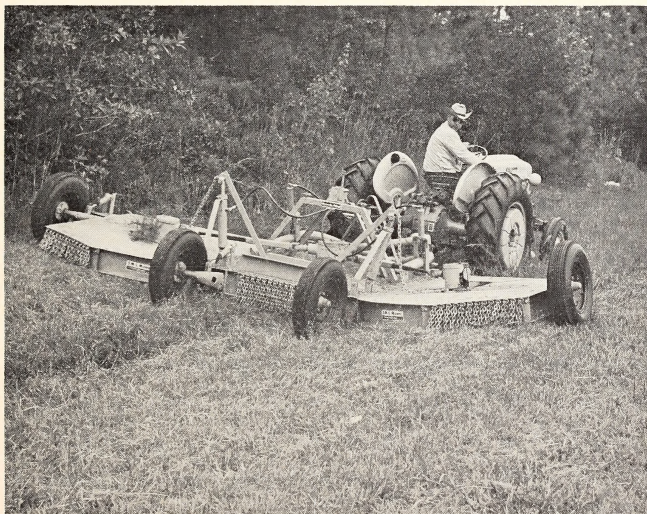
Several test sections of unpaved secondary roads have been constructed for the experimental use of salts and calcium chloride to determine the possibility of reducing frost heave and summer dust. Again, this would help to cut down over-all maintenance costs despite

the relatively high initial construction costs of such processes. It is felt that these experimental sections will someday provide North Carolinians with all-weather unpaved roads.

Studies have been made in the amount of salts used on major primary and interstate highways for snow and ice control. Special emphasis is being placed on eliminating ice that forms on roads and bridges after sleeting. These studies will eventually result in far greater traffic safety.

In mowing and vegetation control, the Maintenance Department has been instrumental in the development of a new multiple mower, the preparation of right-of-way strips so that conventional mowers may be used, and the increase of herbicides which reduce vegetation and necessary cutting.

The handling of maintenance on roads where traffic is uninterrupted has been improved by new methods of signing and marking. These precautions, including the issuance of reflecting iridescent vests for Highway personnel, have been taken to protect both the motorists and the men involved in maintenance work on the roads.



The new triple mower has proved to be an effective time and labor-saver for the maintenance forces in their never-ending job of keeping the highways up to par.



Mammoth mower in operation. This machine does maintenance work that was formerly done by manual labor.

Surface-treated roads have been resurfaced with hot mix or plant mix pavements to furnish better highways at reduced maintenance costs. Highways with this improved surfacing have been increased by 3,600 miles during the past biennium, bringing the total to almost 18,000 miles.

As further aids in the process of reshaping the Maintenance Department functions and expenses, a new maintenance manual is being compiled to assist personnel and special in-service training programs and films have been produced.

Within the next few years, a new maintenance complement will be developed of personnel and equipment to provide for the most modern mechanized maintenance that will be consistent with the number of prisoners still in use by the Highway Commission.

In terms of manpower, materials and various types of activity, maintenance funds during the past two years have been spent in the following manner:

Analysis of Maintenance Expenditures 1963-64 by Object

Primary and Secondary:	
Direct Salaries	20,842,000
Payments for Use of Prison Inmates	3,968,000
Payments to Contractors	3,631,000
Materials and Supplies (Aggregates, asphalt, etc.)	13,084,000
Equipment Rental from Equipment Dept.	14,797,000
General Expenses	295,000
Less Receipts from Towns and Cities and Sales of Materials	— 1,687,000
Total Primary and Secondary Maintenance 1963-64	54,930,000

Analysis of Primary and Secondary Maintenance by Function 1963-64

Function	Primary	Secondary	Total
Regular Road Maintenance	10,282,000	24,293,000	34,575,000
Bridge	634,000	3,109,000	3,743,000
Traffic Services	2,433,000	1,563,000	3,996,000
Landscape	1,161,000	447,000	1,608,000
Retreatment & Resurfacing	3,830,000	6,150,000	9,980,000
Railroad Signal Maintenance	90,000	85,000	175,000
Ferry Operations	— 0 —	1,118,000	1,118,000
Sales from Pipe and Quarry Plants	— 370,000		— 370,000
Miscellaneous Expenditures	— 0 —	105,000	105,000
Total Maintenance Expenditures 1963-64	18,060,000	36,870,000	54,930,000

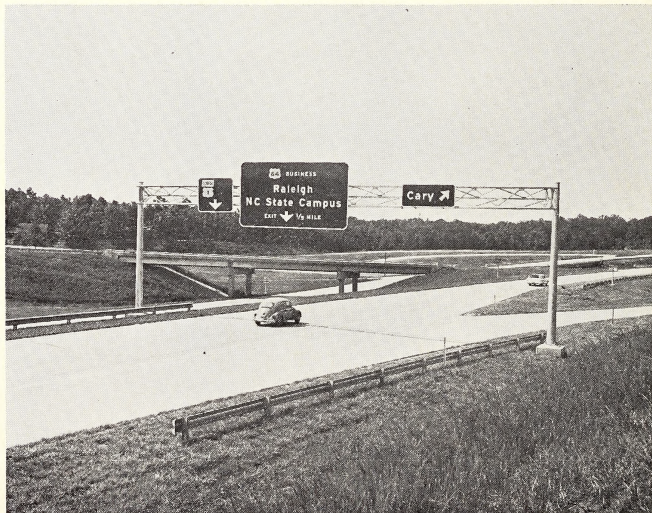
Traffic Engineering

One of the most vital functions of the Highway Commission in the last two years has been in the area of traffic engineering and traffic operation. The prime aim of this department has been to minimize the amount of highway accidents which, in recent years, has been rising at an alarming rate.

In 1963 a new statute was passed clarifying expressly the relative and respective responsibilities of the State and City for the speed zoning of highway system streets in urban areas. At present new ordinances, cooperatively drawn, are in preparation for all sections of the 3,150-mile urban street system. Over 200 of these ordinances have already been mutually adopted by the Highway Commission and the respective municipality. This legislative measure provides reasonable speed limits for safer and better signing in urban areas and should prove to be an effective aid to the motorist in comprehending and carrying out present laws.

The General Assembly also passed at the same time a general statute stating that all highway traffic installations should be in accord with the recently adopted National Manual on Uniform Traffic Control Devices. Authority was delegated to the Highway Commission for approval of all such signs, markings and signalization on the highway system and highway system streets in urban areas and the Commission was authorized to defray the necessary expenses involved.

Therefore, in an effort to modernize the entire 3,150-mile urban system, the Highway Commission is currently analyzing all of the traffic signal systems so that uniform and advanced types of traffic controllers may be installed on a statewide basis. Although the comple-



Typical example of signing on North Carolina highways that is handled by the Traffic Engineering Department.

tion of this undertaking will obviously take many years, it is felt that the results will prove to be safer, more easily understood by motorists, and, in the long run, will save more time.

Upon recommendation by the Governor and the Traffic Safety Council, the State Highway Commission and the Department of Motor Vehicles undertook in July of 1962 a six-month experimental program to cut down North Carolina's highway accident rate. The program, called "Project Impact," incorporated extensive and massive efforts to furnish the best possible signing, marking, signalization and stepped-up law enforcement, all focused on six typical counties in the state at a cost of approximately \$1,041,000. Of this amount, approximately \$1 million was spent for engineering improvements on the highways and \$41,000 was spent for 76 highway patrolmen who were temporarily transferred into the six-county area. The results of this study indicate that 157 accidents were prevented and 19 lives were saved, that if it had been possible to extend the project to all 100 counties 192 lives could have been saved, and that the State saved an economic loss of \$3,400,000.

Resulting directly from Project Impact findings, the Highway Commission decided to introduce a policy whereby solid edge-lining would be used on the entire 12,000-mile primary highway system in the state. Now almost completed, the edge-lining method indicates that it



Solid edge-lining, a direct result of "Project Impact" findings, is depicted on this stretch of highway.

will save many lives and prove beneficial to travelers at night and during adverse weather conditions.

Further improvements brought about by Project Impact include the authorization by the General Assembly for the expansion of the Department of Traffic Engineering. This enlargement provides for a traffic engineer in each of the fourteen highway divisions to work with both division personnel and municipal authorities in the increased strivings to eliminate death and accidents in North Carolina.

A cooperative study was also entered into with the Department of Motor Vehicles to furnish computer methods of reporting and coding accidents for accident maps. These maps and reports can thus be developed to indicate specifically the most dangerous sections of North Carolina highways and to assist the Highway Commission in ascertaining the necessary types and magnitude of improvements.

Research

Since 1958, the Highway Commission, in cooperation with the Bureau of Public Roads of the U. S. Department of Commerce, has provided financial support for a highway-oriented research program at N. C. State University. Overseeing the research program is a policy committee or "steering Committee," which consists of representatives from the University, the Highway Commission, and the Bureau of Public Roads. The steering committee evaluates proposed research projects and recommends them to the Highway Commission for approval. To receive serious consideration, a research project must be one which has as its objective the discovery of new knowledge relating to the field of highway engineering, with particular reference to problems in North Carolina. It is also desirable that the result of such projects have some regional and national significance. The research projects are carried on by graduate students and the faculty of the University's Civil Engineering Department in cooperation with various department heads of the Highway Commission. The nature of the individual projects is as varied as the field of highway engineering itself.

Currently the University is conducting nine research projects requiring an annual expenditure of 150 to 160 thousand dollars. This work is done under contract; approved by the University, the Bureau of Public Roads, and the Highway Commission; and subject to proper budgetary and audit control. These projects are:

- (1) "The utilization of Plant Growth Control Substances in the Maintenance of Highway Rights-of-Way and Highway Facilities"
- (2) "The Translation of the Results of the AASHO Road Test to Useful Guides for Designs in North Carolina"
- (3) "The Effectiveness of Diaphragms in Steel Stringer Bridges"

- (4) "The Effect of Viscosity of Asphalts on the Properties of Bituminous Mixtures"
- (5) "An Investigation of Load Distribution Characteristics and Load Capacity of Small Timber Bridges"
- (6) "The Investigation of Critical Problems of Establishing and Maintaining a Satisfactory Sod Cover Along North Carolina Highways"
- (7) "An Investigation of the Stability of Highway Slopes and Embankments"
- (8) "An Investigation of Average Daily Traffic Gravity Models and Peak Hour Traffic Gravity Models"
- (9) "An Investigation of Medians and Median Openings on Divided Highways"

In addition to the research activities at the University, a limited amount of research is conducted by the various departments of the Highway Commission. These include an analysis of accidents on the Interstate System and a study of right-of-way severance damages along controlled access highways. There are also several activities in the areas of maintenance and equipment which are aimed towards the development of more efficient equipment and operations.

HIGHWAY NEEDS

In North Carolina the backbone of the transportation system is unquestionably the highway and road network. This dependence upon an automotive existence makes the question of highway construction needs a matter of major significance to all of the people. Obviously, many motorists would like all primary highways to be four-laned, all secondary roads to be paved, and urban streets developed to such magnitude that they would operate with little or no traffic congestion at peak hours. Such a goal could be accomplished only through tremendous increases in highway taxation and could hardly be justified in the light of the many other needed governmental services. Therefore, any discussion of highway needs must be prefaced by the establishment of certain "ground rules" or levels of highway service that are justifiable in the public interest.

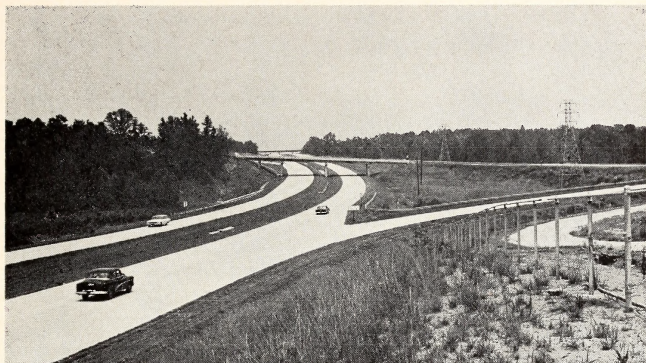
The defining of these levels of highway service permit a rational determination of the amount of construction funds that will be required for the improvement of the State's primary, secondary, and urban system which, when compared with anticipated revenues and expenditures, will indicate the need for additional funds. It is of major importance that these minimum levels of highway service be developed in some detail as variations can drastically lower or raise the estimated total construction need on each of the three highway systems. Thus, these levels of highway service have a far-reaching effect upon the transportation system and the overall economy of the State.

For purposes of this analysis a seven-year period beginning July 1965 and ending June 1972 is the most practical planning period that can be used. The Interstate program will be completed in 1972; and after 1972 a new Federal-Aid program which is currently unknown as to scope, concept or magnitude will be inaugurated by the Congress of the United States.

Rural Primary System

As previously set forth in this report the 11,560-mile State Primary System has been classified into three rather distinct segments with each segment having a rather specific purpose, requiring different minimum levels of highway service.

The Trunk System consists of approximately 2,500 miles of a coordinate intra-state network of highways connecting together centers of high economic, population, and recreational importance. Its purpose is to move large volumes of through inter-city traffic safely and at reasonably high speeds. It could provide service to abutting land use only when such service creates a minimum of interference with



A new portion of the improved trunk system.

traffic movement. The minimum desirable level of service for this system is to permit average operating speeds from point of origin to point of destination of 50 miles per hour.

The Trunk Feeder System consists of approximately 3,000 miles, connecting together the smaller cities and providing connections to the Trunk System. It accommodates moderate volumes of traffic traveling shorter distances than on the Trunk System. The characteristics of the system are such that a moderate amount of abutting land development is permissive. The minimum desirable level of service for this system is to permit average operating speeds from point of origin to point of destination of approximately 45 miles per hour.

The Rural Collector System consists of the remaining 6,000 miles of the Primary Highway System. Its purpose is to collect traffic from the Secondary Road System, to connect together the very small municipalities, and to provide routes for traffic desiring to move to the Trunk Feeder and the Trunk System. In general this system will be a two-lane system and will permit a significant amount of abutting land development. Trips on this system are generally much shorter than on the other Primary Systems. The minimum desirable level of service for this system is to permit average operating speeds from point of origin to point of destination of approximately 40 miles per hour and at 35 miles per hour in some of the extremely mountainous areas.

Based upon these defined levels of service, the following Rural Primary Highway Construction needs are indicated for the period 1965-72:

Rural Primary Highway Construction Needs 1965-72

Major pavement strengthening and resurfacing 2,000 miles @ \$25,000 per mile	\$ 50,000,000
Pavement and shoulder widening and minor relocation, 1,200 miles @ \$60,000 per mile	72,000,000
Major highway relocation, 400 miles @ \$200,000 per mile	80,000,000
Widening from two-lane to four-lane divided facilities, 1,100 miles @ \$350,000 per mile	385,000,000
Bridge improvements	<u>30,000,000</u>
Total Rural Primary Highway Construction Needs 1965-72	\$617,000,000

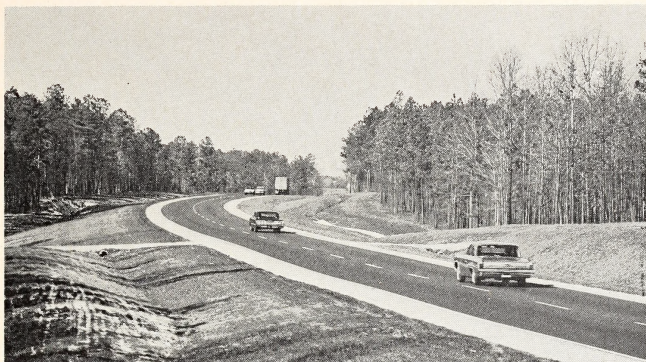
NOTE: The Interstate System which will be completed in 1972 is not considered in an overall study of highway construction needs. Funds for the construction of the specific routes allocated to North Carolina have been and will be made available by the Congress on a 90% Federal and 10% State matching basis.

Rural Secondary System

The Rural Secondary System consists of 57,540 miles of paved and unpaved roads outside the corporate limits of municipalities which are not a part of the Rural Primary System. Although many improvements are needed on this system, significant strides have been made since the \$200,000,000 road bond issue in 1949. As shown on the following table, in 1949 only 10% of this system was paved and as of January 1, 1964, 49.0% of this total system was paved.

Mileage Data—State Rural Secondary System

YEAR	UNPAVED	PAVED	TOTAL	% PAVED
1949	45,922	5,109	51,031	10.0
1950	45,328	6,372	51,700	12.3
1951	42,028	10,794	52,822	20.4
1952	38,915	14,596	53,511	27.3
1953	36,086	18,182	54,268	33.5
1954	34,418	20,551	54,969	37.3
1955	34,150	21,364	55,514	38.5
1956	33,979	22,074	56,053	39.3
1957	33,763	22,735	56,498	40.3
1958	33,149	23,466	56,615	41.6
1959	32,869	23,985	56,854	42.4
1960	32,503	24,707	57,210	43.4
1961	31,627	25,040	56,667	44.2
1962	31,244	25,820	57,064	45.4
1963	29,905	27,435	57,340	47.9
1964	29,349	28,190	57,539	49.0



Segment of the new improved trunk feeder system.

It would appear obvious that a desirable level of service would be to provide an all-weather stabilized road for the entire Secondary Road System. Similarly consideration should be given to paving secondary roads having reasonably high traffic volumes. Consideration should also be given to relocating and realigning certain of the existing paved secondary roads that now carry heavy volumes of traffic. Based upon these concepts the following general levels of service for the Secondary Road System are appropriate.

1. All secondary roads should be stabilized with appropriate aggregates such that they will provide all-weather service except in extreme conditions.
2. Secondary roads having an average daily traffic volume in excess of 50 vehicles per day along with a reasonable degree of land use should be considered for paving.
3. Existing heavily traveled secondary roads that have operating speeds of 30 miles per hour or less should be considered for realignment and relocation.

Based upon these levels of service and the contemplation of meeting these levels of service by 1972, the following amount of secondary road highway construction funds will be required:

Stabilization for all-weather roads	
8,000 miles @ \$10,000 per mile	\$ 80,000,000
Paving more heavily traveled routes	
7,000 miles @ \$20,000 per mile	140,000,000
Secondary relocation and bridge improvements	40,000,000
Total Secondary Road Highway Construction Needs	\$260,000,000



A typical example of the many miles of the rural collector system.

Urban Highway System:

North Carolina is fortunate that it has a large number of well-dispersed moderate sized municipalities as contrasted with those states that have one or two major metropolitan complexes. These moderate-sized municipalities lend themselves to the solving of the automotive traffic problem at fairly reasonable costs as contrasted with the extreme costs necessary to solve metropolitan transportation problems. The Urban problem is, nevertheless, growing acute because of the fact that between 1940 and 1960 this population has doubled



This road is one of many in North Carolina that still needs to be paved. School buses often get bogged down in mud on these stretches.



A rural primary route that badly needs improving. Cracks and holes in the pavement can be extremely hazardous to motorists.



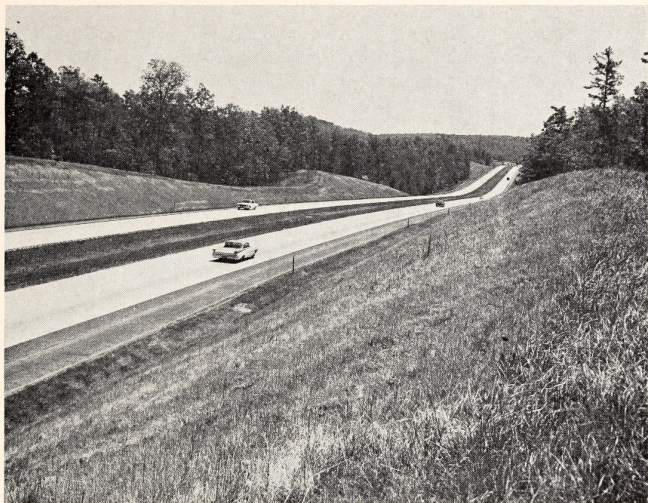
In urban areas traffic congestion is an ever-increasing problem for the Highway Commission. Old roads like this one cannot hope to keep pace with the march of progress in North Carolina.

and now, with the urban fringes, represents almost 50% of the population within the State. Within the next decade or two, it is anticipated that over two-thirds of the total population will live within and around the municipalities of the State.

The Urban portion of the State Highway System consists of approximately 3,150 miles of the total 11,600 miles of highways and streets within all incorporated municipalities—27% of the total urban mileage. In summary, the State is responsible for maintenance and improvement of all US and NC numbered highways within the municipality and almost all other major streets that form part of a coordinated major thoroughfare system.

North Carolina's General Statutes require each municipality in cooperation with the State Highway Commission to develop a comprehensive plan for the development of street improvements that will serve present and anticipated future volumes of traffic. Based upon this thoroughfare plan, the State and the municipality shall mutually determine which future improvements will be the responsibility of the State and which improvements the responsibility of the municipality.

Thoroughfare plans have been developed for over 50 cities in North Carolina and many others are underway. From these plans it is possible to estimate the cost of urban improvements and to anticipate the cost in some of the smaller cities where the thoroughfare plans have not been completely developed.



An example of the rural interstate highway system is this portion of Interstate 85 between Charlotte and Gastonia.



The Winston-Salem Expressway at night.

Summarizing these urban needs, the following table indicates the amount of additional highway construction funds that will be needed to provide a minimum reasonable level of service that should exist in the future. (In general the future level of highway service based upon these construction needs might be considered as somewhat equivalent to the service and the amount of traffic congestion that exists in 1964.)

Urban State Highway System Construction Needs 1965-72

Arterial and Expressway Systems	
150 miles at \$750,000 per mile	\$113,000,000
Widening of existing highways	
500 miles at \$200,000 per mile	100,000,000
Construction of new cross-town and belt routes, 200 miles at \$300,000 per mile	<u>60,000,000</u>
Total Urban State Highway System Construction Needs 1965-72	\$273,000,000

Anticipated Revenues and Expenditures 1965-72:

The Highway Fund consists of motor vehicles registration fees, gasoline taxes and Federal-aid allocations. Federal-aid is made available on a fixed Federal formula for the so-called 50% matching funds which are used on the Primary and Urban System. The Interstate Federal-aid funds are on a 90%-10% basis and are specifically obligated for the completion of the Interstate System. Based upon these factors and the rather constant historical growth in automotive transportation, it is possible to estimate anticipated State revenues within reasonable tolerances. Similarly it is possible to analyze operating costs, determine overhead and maintenance costs and to estimate, based upon these factors, the amount of construction funds that will be available for the period 1965-72. These estimates are shown on the following table:

Anticipated Revenues and Expenditures 1965-1972:

Estimated State revenues	\$1,230,000,000
Estimated regular Federal-aid (Primary and Urban)	165,000,000
Federal-aid Interstate Program	<u>180,000,000</u>
ESTIMATED TOTAL HIGHWAY FUND REVENUE	1,575,000,000
<hr/>	
Department of Motor Vehicles Utilities	
Commission and Agriculture Department	\$108,000,000
Powell Bill Funds (1/2 of 1¢ per gallon of the gasoline tax distributed to municipalities)	<u>68,000,000</u>
Total expenditures — non-Highway Department	\$176,000,000

Highway Commission Operations:

Administration, capital improvements, retirement system, etc.	\$ 96,000,000
---	---------------

Maintenance:

Rural Primary System	180,000,000
Rural Secondary System	290,000,000
State Highway Urban System	45,000,000

Total Maintenance	515,000,000
--------------------------	--------------------

Net State and Federal Funds available for Construction	788,000,000
---	--------------------

Less State and Federal Funds reserved for Interstate System	198,000,000
--	--------------------

NET STATE AND FEDERAL FUNDS AVAILABLE FOR PRIMARY, SECONDARY, AND URBAN CONSTRUCTION	\$590,000,000
---	----------------------

SUMMARY:

Based upon the levels of service as previously defined, the total highway construction need for the period 1965-72 would be as follows:

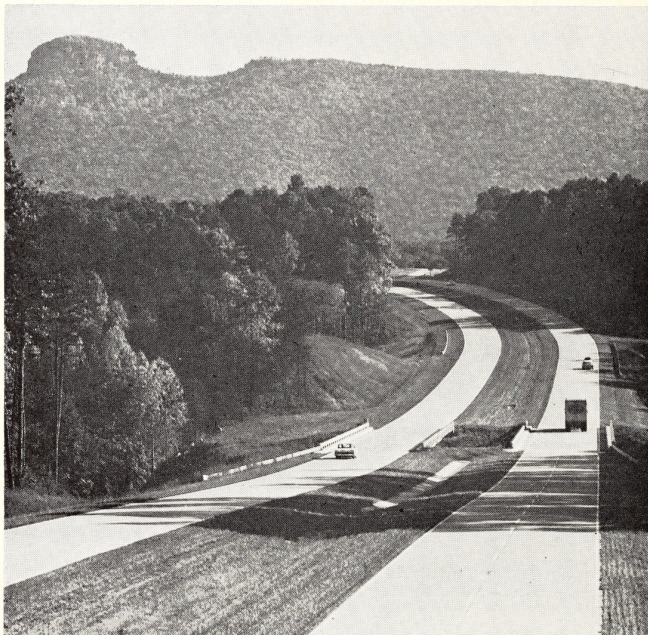
Rural Primary Highway Construction Need	\$ 617,000,000
Rural Secondary Highway Construction Need	260,000,000
Urban State Highway Construction Need	273,000,000
Total Primary, Secondary, and Urban Construction Need	\$1,150,000,000

From the analysis of anticipated revenues and expenditures, it appears there will be \$590,000,000 of available highway construction funds for the Primary, Secondary, and Urban System during the period 1965-1972. Since the use of Federal-aid and State Matching Funds is controlled by Federal regulations and the remaining State Funds are controlled by appropriations of the General Assembly, it is possible to estimate the manner in which the \$590,000,000 of available construction funds would be expended on each of the highway systems. The following table indicates the total construction funds available for each of the highway systems as it relates to estimated highway construction need for the period 1965-72.

System	Estimated Highway Construction Need*	Estimated Highway Construction Funds*	Percent of Need
Primary	\$ 617	\$ 310	50.2 %
Secondary	260	160	61.5
Urban	273	120	44.0
Total	\$1,150	\$ 590	51.3 %

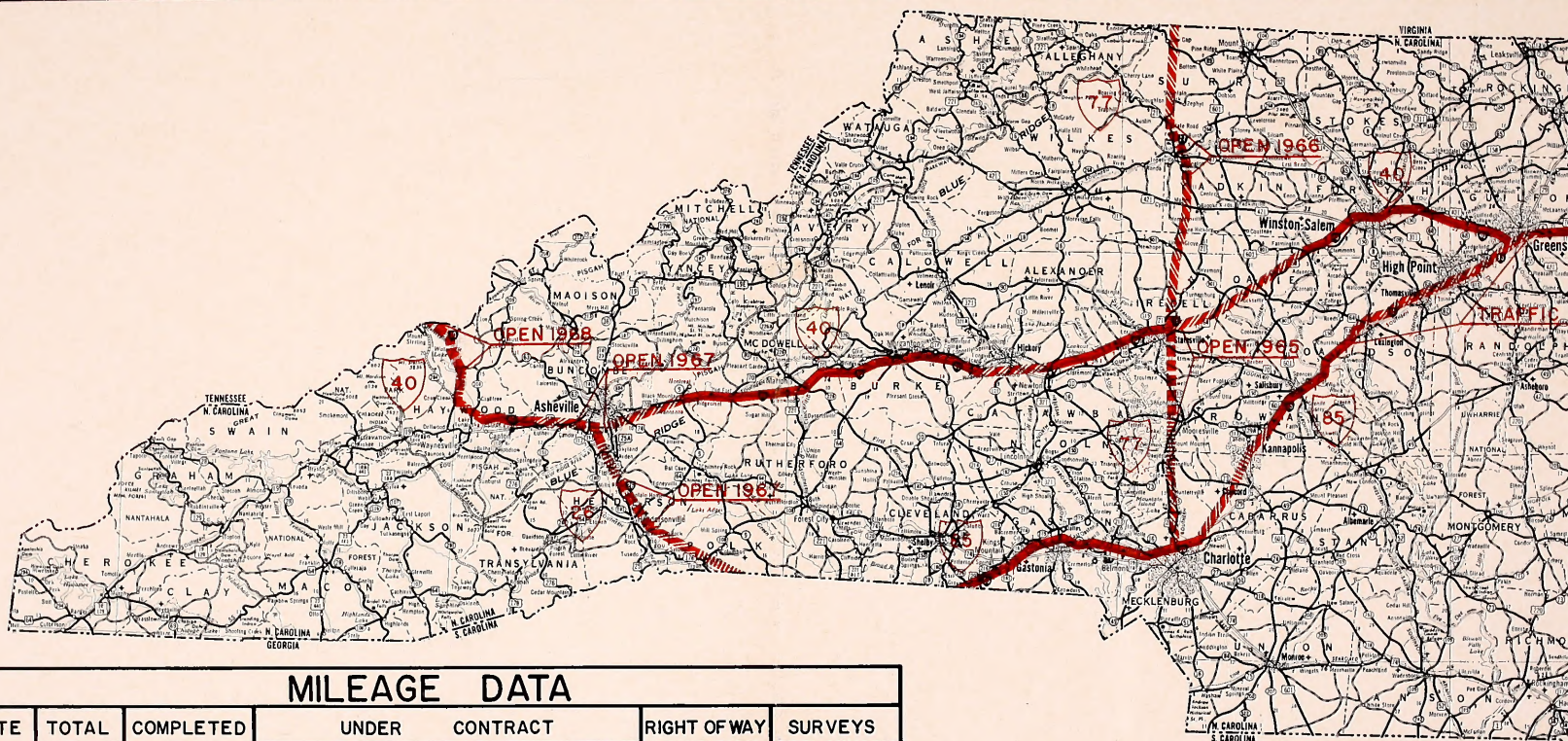
*In Millions of Dollars

In conclusion, it is obvious that additional highway construction funds are needed if North Carolina is to continue to have a system of highways that will provide a level-of-service equivalent to that existing today. Without additional funds, only 51 percent of the highway construction needs during the period 1965-72 can be met.



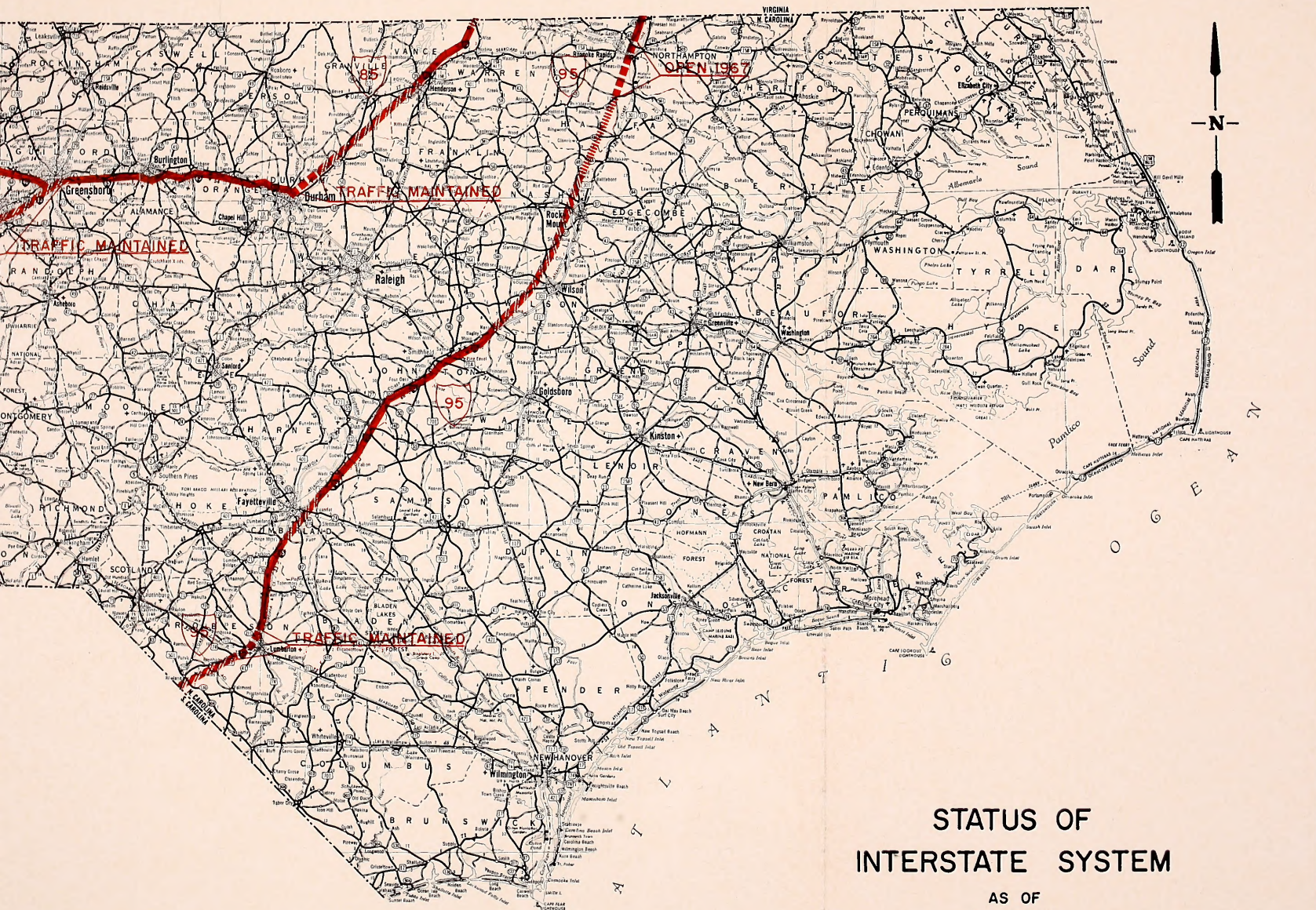
US 52 between Winston-Salem and Pilot Mountain: A road that shows what a highway can, and should be.





MILEAGE DATA

ROUTE	TOTAL MILEAGE	COMPLETED TO STANDARDS	UNDER CONTRACT			RIGHT OF WAY ACQUISITION UNDER WAY	SURVEYS PRELIMINARY DESIGN R/W PLANS UNDER WAY
			INCLUDING PAVING	GRADING AND STRUCTURES	SIGN, FENCE, GUARDRAIL ETC.		
LEGEND							
26	40.6	0	0	19.1	0	9.9	11.6
40	220.6	129.6	0	14.7	0	10.5	65.8
77	95.1	0	5.7	8.2	0	8.4	72.8
85	231.5	136.4	5.8	0	0	9.1	80.2
95	181.0	76.2	7.8	11.2	0	17.8	68.0
TOTALS	768.8	342.2	19.3	53.2	0	55.7	298.4



STATUS OF INTERSTATE SYSTEM

AS OF
JULY 1, 1964

APPENDIX "A"

NORTH CAROLINA STATE HIGHWAY COMMISSION
Raleigh, North Carolina

REPORT ON AUDIT

FISCAL YEAR ENDED JUNE 30, 1963

W. F. BABCOCK, *Director*

MEMBERS OF COMMISSION

MERRILL EVANS, *Chairman*

C. L. BENSON
C. W. BRAME
GRAHAM ELLIOTT
LAUCH FAIRCLOTH
J. K. GLENN
W. E. HORNER
TED JORDAN
D. W. JOYNER
JACK KIRKSEY

JAMES MACLAMROC
TOM MCLEAN
A. W. NESBITT
CLINT NEWTON
H. G. PHILLIPS
E. M. TATE
J. E. WEBB
J. G. WOOD
P. R. YOUNTS

E. T. AIKEN—*Acting Controller*

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**DEPARTMENT OF STATE AUDITOR
BUREAU OF INSTITUTIONAL AND
DEPARTMENTAL AUDITING
Raleigh, North Carolina**

THE ADVISORY BUDGET COMMISSION
Raleigh, North Carolina

Gentlemen:

We have made an examination of the financial accounts and records of the

**NORTH CAROLINA STATE HIGHWAY COMMISSION
Raleigh, North Carolina**

for the fiscal year ended June 30, 1963, consisting of four Exhibits which are supported by twenty-six schedules. Exhibit "A" sets forth the Balance Sheets of the Current Fund, Debt Service Fund, and the Equipment Fund.

State Revenue Collections for the Current Fund amounted to \$138,406,591.07 which exceed the budget by \$4,376,591.07.

A summary comparison of Current Fund Revenues and expenditures is presented below:

	Fiscal Year 1962-63	Fiscal Year 1961-62	Increase Decrease*
REVENUES:			
Motor Vehicle Revenues	\$ 136,671,628.81	\$ 130,572,784.93	\$ 6,098,843.88
Federal Aid Revenues	43,955,047.55	41,046,517.69	2,908,529.86
Participating Revenues	2,199,803.86	2,966,171.54	766,367.68*
Interest on Investments	1,733,738.33	-0-	1,733,738.33
Miscellaneous	1,223.93	-0-	1,223.93
	<u>\$ 184,561,442.48</u>	<u>\$ 174,585,474.16</u>	<u>\$ 9,975,968.32</u>
EXPENDITURES—NET:			
Non-Highway Departments	\$ 10,316,131.58	\$ 10,080,157.12	\$ 235,974.46
General Administration	1,612,425.86	1,483,355.84	129,070.02
Engineering Administration	4,840,067.29	4,516,252.86	323,814.43
Contributions to Retirement	2,827,835.32	2,510,099.37	317,735.95
State Maintenance Construction	93,943,518.34	90,162,813.67	3,780,704.67
State Aid to Municipalities	7,640,707.92	7,356,135.97	284,571.95
Federal Aid	66,230,908.37	72,428,035.27	6,197,126.90*
Capital Improvements	381,079.47	1,326,470.64	945,391.17*
	<u>\$ 187,792,674.15</u>	<u>\$ 189,863,320.74</u>	<u>\$ 2,070,646.59*</u>
TOTAL EXPENDITURES	\$ 187,792,674.15	\$ 189,863,320.74	\$ 2,070,646.59*
EXCESS OF EXPENDITURES OVER REVENUES	\$ 3,231,231.67	\$ 15,277,846.58	\$ 12,046,614.91*

*Indicates Decrease

Non-Highway Department expenditures increased over the prior year 2.34%; General Administration increased 8.70%, and Engineering Administration 7.17%. State and Federal expenditures for maintenance and construction amounted to \$160,174,426.71 for the fiscal year examined, being \$2,416,422.23 less than the prior year.

Maintenance expenditures were incurred as follows:

Roads.....	\$ 33,447,618.56
Traffic Services.....	4,373,057.75
Landscape.....	1,419,453.85
Retreatments.....	10,453,337.81
Bridges.....	4,109,540.63
Ferries.....	893,315.68
Railroad Signals.....	172,279.59
Historical Markers.....	6,988.96
Unused Prison Labor.....	3,108,575.00
Urban.....	1,831,594.53
Quarry, Asphalt Plants.....	157,812.67
TOTAL MAINTENANCE.....	\$ 59,973,575.03

**APPLICATION OF UNALLOTTED APPROPRIATION BALANCES
AND EXCESS OF ACTUAL REVENUES OVER ESTIMATED
June 30, 1963**

BALANCES:

From Unallotted Current Appropriations (Exhibit "C").....	\$ 808,593.52
From Unallotted Encumbrance Appropriations (Exhibit "C").....	93,442,615.69
From Reserve for Estimated Revenues in Excess of Appropriations.....	112,699.00
TOTAL UNALLOTTED BALANCE.....	\$ 94,363,908.21
Excess of Actual Revenues Over Estimated (Exhibit "B").....	4,376,591.07
	\$ 98,740,499.28
Deduct Audit Adjustments.....	57,211.83
TOTAL.....	\$ 98,683,287.45

APPLICATION OF BALANCES—
(Reserves Carried Forward):

FEDERAL PARTICIPATION:

Primary.....	\$ 12,842,527.07
Secondary.....	15,152,071.51
Urban.....	4,418,542.69
Interstate.....	40,493,501.32
Forestry.....	550,012.00
Emergency Relief.....	71,440.00
	\$ 73,528,094.59

TO MATCH FEDERAL FUNDS:

From Appropriations.....	\$ 19,024,344.64
From Cities & Towns Participation.....	340,673.00
	19,365,017.64
Reserve for State Aid to Municipalities.....	142,835.06
Reserve for Capital Improvements.....	546,811.31
Reserve—Additional Salary Requirements.....	114,839.00
Reserve for Appropriations in Excess of Estimated Revenues.....	1,430,594.00

	\$ 95,128,191.60
To UNAPPROPRIATED SURPLUS.....	\$ 3,612,307.68
Deduct: Audit Adjustments.....	57,211.83

3,555,095.85

\$ 98,683,287.45

Cash in Banks consists of checking accounts established throughout the state for the payment of emergency bills and certain other expenses incurred. All of these accounts were examined and reconciled. Disbursements were tested for proper documentary support.

Accounts Receivable were reviewed and a number of positive type confirmations were mailed on accounts that had not been paid since the close of business June 30, 1963. A substantial number of replies were received. Many balances were confirmed by debtors. In some cases of contracts with Public Service Agencies and Utility Companies the work is to be done over a period of years, with final billing to be done on a cost plus basis. At times estimates are charged, or preliminary charges are made subject to adjustment as work progresses. In such cases the terms preclude the recording of an accurate and complete billing, and does not lend itself to audit verification. Cases of disagreement have been reported to the finance department. Accounts Receivable were reduced \$25,156.72 due to billing errors.

On June 30, 1963 the U. S. Bureau of Public Roads was indebted to the N. C. State Highway Commission in the amount of \$51,137,811.00 as shown on Schedule A-12 for road construction costs under agreement. We compared the amounts due the Commission with the "Project Status Report" which is prepared by the Bureau of Public Roads at the close of each calendar month. No significant differences were noted.

Inventories at June 30, 1963 were taken by Highway personnel. We were not present at the time, however records were examined and mathematical accuracy verified. Gasoline and oil inventories were found overstated by \$32,055.11 and balance sheet adjustment has been made.

Inventories at June 30, 1963 consisted of the following:

Parts and Supplies.....	\$ 2,226,318.80
Gasoline and Oil.....	225,629.30
Ferry Operations.....	44,557.62
Bridge Maintenance.....	109,386.22
Landscape.....	103,866.79
In Transit.....	281,758.84
	<hr/>
	\$ 2,991,517.57
	<hr/>

Federal Aid Allocations for Road Construction \$73,528,094.59 is shown in detail in Schedule A-14. This is a (contra) item on the Current Fund Balance Sheet. The 1963-64 apportionment to the State of North Carolina amounted to \$43,966,166.00. A breakdown of this apportionment by the various systems will be also found in Schedule A-14.

Securities held for others in lieu of Surety bonds \$341,000.00 were examined by us.

Accounts Payable at June 30, 1963 were made up of the following obligations:

Unfilled and Approved Purchase Orders.....	\$ 3,763,205.88
Unfilled and Approved Gas & Oil Purchase Orders.....	41,286.01
Contracts for Personal Services.....	3,250.00
Workmens Compensation Claims.....	208,818.26
Tort Claims.....	422,420.34
Group Insurance Premiums.....	48,490.32
Prison Labor.....	2,120.00
City of Salisbury—Widening US52.....	64,520.23
City of Hickory—Thoroughfare Plan.....	25,431.78
	<hr/>
	\$ 4,579,542.82
	<hr/>

We examined all unfilled purchase orders, for dates, approval, extensions, etc. and found no material differences. We traced about 4% of these open purchase orders into warrants paid after July 1, 1963 verifying amounts and comparing purchase order numbers.

REVISION OF RENTAL RATE FOR AIRPLANE OWNED AND OPERATED BY NORTH CAROLINA HIGHWAY COMMISSION

The rate for the fiscal year 1962-63 was \$69.96 per hour. An analysis of flight operations for this period is as follows:

Gross Hours in Flight 355½ at 69.96 Per Hour.....	\$ 24,870.78
DEDUCT: Maintenance Flight Hours 15¼.....	1,101.87
	<hr/>
Productive Flight Hours.....	\$ 23,768.91
DEDUCT: Expenses 1962-63.....	19,945.49
	<hr/>
Net Income 1962-63.....	\$ 3,823.42
	<hr/>
An Accumulated Operating Deficit 6-30-62.....	\$ 4,113.21
LESS—Net Income 1962-63.....	3,823.42
	<hr/>
Accumulated Deficit 6-30-63.....	\$ 389.79
	<hr/>

RATE FORMULA:

$$\frac{\text{Expenditures 1962-63} + \text{Accumulated Deficit}}{\text{Productive Flight Hours}} = \text{Hourly Rate}$$

$$\frac{\$19,945.49 + \$289.79}{339.75} = \$59.56$$

Proposed Revision of rate was submitted for U. S. Department of Commerce approval November 8, 1963.

DISTRIBUTION OF PRODUCTIVE FLYING HOURS:	HOURS
North Carolina State Highway Commission.....	288¾
Conservation and Development.....	32
Governors Office.....	19
	<hr/>
TOTAL.....	339¾
	<hr/>

CONTRACTORS CLAIMS

A review of claims made by contractors against the North Carolina State Highway Commission was made November 23, 1963.

The following claims are outstanding and either in the process of arbitration or litigation:

Claim No.	Work Order No.	Claimant	Amount of Claim
1	8.16524	Southern Roadbuilders.....	\$ 214,396.00
2	8.22406	Nello Teer Co.....	19,654.00
3	8.81826	Nello Teer Co.....	15,496.79
4	8.16527	W. L. Costen.....	29,493.00
5	6.800066	Ballanger Paving Co.....	2,900.00
6	8.18525	W. E. Graham.....	245,318.00
7	8.24110	Dickerson Co.....	5,319.00
8	8.22563	Dickerson Co.....	16,591.00
9	8.13438	Nello Teer Co.....	803,489.00
10	8.20161	Asheville Construction Co.....	15,778.00
11	8.18523	W. E. Graham.....	133,286.00
12	8.14951	Nello Teer Co.....	5,318.00
13	8.16303	W. B. Dillard Co.....	163,838.00
14	8.13438	National Landscaping Co.....	106,655.00
15	8.11709	C. C. Mangum Co.....	42,477.00
16	8.13963	Dickerson Co.....	7,094.00
17	6.862027	Jerry Liner.....	7,978.00
18	8.21763	W. J. McLamb.....	3,000.00
19	8.19302	Sherman Simpson.....	14,400.00
20	8.28456	W. B. Dillard.....	7,216.00
21	8.17377	Zephyr Construction Co.....	53,560.00
TOTAL.....			\$ 1,913,256.79

The General Assembly of North Carolina 1963 session enacted G.S. 136-29—"Adjustment of Claims. (1) Upon the completion of any contract for the construction of any state Highway awarded by the State Highway Commission to any contractor, if the Contractor fails to receive such settlement as he claims to be entitled to under his contract, he may within sixty (60) days from the time of receiving his final estimate, submit to the Director of the State Highway Commission a written and verified claim for such amount as he deems himself entitled to under the said contract setting forth the facts upon which said claim is based. In addition the claimant, either in person or through counsel, may appear before the Director of the State Highway Commission and present any additional facts and argument in support of his claim. Within ninety (90) days from the receipt of said written claim the Director of the Highway Commission shall make an investigation of said claim and with the approval of the Highway Commission may allow all or any part or may deny said claim and shall have the authority to reach a compromise agreement with the contractor and shall notify the contractor in writing of his decision. "(2) As to such portion of the claim as is denied by the Director of the State Highway Commission, the contractor may within six (6) months from receipt of said decision, institute a civil action for such sum as he claims to be entitled to under said contract by the filing of a verified

complaint and issuance of summons in the Superior Court of Wake County or in the Superior Court of any county wherein the work under said contract was performed. The procedure shall be the same as in all civil actions except as herein and hereafter set out.

"(3) All issues of law and fact and every other issue shall be tried by the Judge, without jury; provided that the matter may be referred in the instances and in the manner provided for in Article 20 of Chapter 1 of the General Statutes.

"(4) The submission of the claim to the Director of the State Highway Commission within the time and as set out in paragraph (1) of this section and the filing of an action in the Superior Court within the time as set out in paragraph (2) of this section shall be a condition precedent to bringing such an action under this section and shall not be a statute of limitations.

"(5) The provisions of this section shall be deemed to enter into and form a part of every contract entered into between the State Highway Commission and any contractor, and no provision in said contracts shall be valid that is in conflict herewith."

Claim number 19 and 20 listed above was denied by the Director of Highways under the provision of G.S. 136-29 quoted above. Claim number 21 is now against a bonding firm and may not involve the Highway Commission.

Claim number 9 was filed before the enactment of G.S. 136-29. Three arbitrators were selected and hearings have been held. Their decision has not been announced to date.

NEW DEPARTMENT

A new department has been established under General Administration known as the Department of Audit, Investigation and Management Control. It was felt by management that this department was necessary for the efficient operation of the Highway Commission. The department, at present, has the following staff authorizations:

HIGHWAY ENGINEER VI
HIGHWAY ENGINEER V
SPECIAL INVESTIGATIVE AGENT
ACCOUNTANT III

These positions were approved by the Department of Administration and Personnel during July 1963.

This department is in addition to the present audit and procedures section now operating as a part of the Finance Department.

Certain fiscal revisions have been recommended in regard to deposits made to the right-of-way department. These revisions will be implemented as promptly as possible.

The procedures relating to the authorization, transfer and actual setting up of available funds to provide for work order expenditures were examined at September 30, 1963.

ALLOWANCES FOR EMPLOYEES' VACATION, SICK LEAVE AND HOLIDAYS

This balance \$771,403.70 shown in Exhibit "A" represents accruals for vacation, sick leave and holidays earned in excess of sick leave, annual leave and holidays taken since November 1, 1959, which is the date the practice of recording the contingent liability for these leave accounts was initiated for the labor forces. At that date it would have required approximately \$5,381,370.00 to record on the books this contingent liability, which was represented by 451,694 days sick leave reduced to an experience rate of 55.7551% and 136,564 days annual leave, both computed at an average salary rate of \$3,630.00.

ACCRUED TAXES PAYABLE—\$1,196.39—EXHIBIT "A"

This item consists of North Carolina sales and use taxes accrued at June 30, 1963, and payable July 15, 1963.

The cooperation and assistance rendered to the auditors by both management and staff of the Highway Commission is gratefully acknowledged.

Respectfully submitted,

HENRY L. BRIDGES, *State Auditor*

Prepared by J. E. PEARCE

Approved:

M. L. WIDENHOUSE, C.P.A.

January 16, 1964

**BALANCE SHEET
CURRENT FUND**

June 30, 1963

EXHIBIT "A"

ASSETS		LIABILITIES, ENCUMBRANCES, RESERVES AND SURPLUS	
Cash: On Deposit-State Treasurer (Schedule 1) ----- In Banks (Schedule A-2) -----	\$ 47,264,952.46 19,850.00	Liabilities: Accounts Payable (Schedule A-16) ----- Due to Equipment Fund (Schedule A-17) ----- Allowance for Employee's Vacation, Sick Leave and Holidays ----- Accrued Taxes Payable -----	\$ 4,579,542.82 3,519,568.54 771,403.70 1,196.39
	\$ 47,284,802.46		
Accounts Receivable: Cities & Towns (Schedule A-6) ----- Public Service Agencies (Schedule A-7) ----- State Departments and Agencies (Schedule A-8) ----- Travel Advance to Employees (Schedule A-9) ----- Department of Motor Vehicles Imprest Fund ----- Other Receivables (Schedule A-10) ----- Payroll Adjustment Loans (Schedule A-11) -----	\$ 2,520,639.34 187,936.40 60,050.79 18,999.60 15,000.00 36,300.94 111.72	Special Deposits in Lieu of Surety Bonds (Sch. A-19) ----- Undistributed Dept. Motor Vehicle Revenue ----- Encumbrance Allotments: (Exhibit "C") ----- State Maintenance Construction:	\$ 8,871,711.45 \$ 341,000.00 9,675.66
		Primary System ----- Secondary System ----- Urban System ----- Public Service Roads ----- Capital Improvements ----- Construction Federal Aid ----- State Aid to Municipalities -----	\$ 3,979,058.64 7,725,451.84 3,282,956.03 737,094.26 92,580.87 54,345,359.34 47,888.58
Due from U.S. Bureau of Public Roads (Schedule A-12) -----	\$ 2,839,038.79		
	\$ 51,137,811.00		
Inventories: Stores (Schedule A-13) ----- Job Orders in Progress -----	2,991,517.57 2,204.94	Reserves and Surplus:	70,210,389.56
		Reserve for State Aid to Municipalities ----- Reserve for Federal Participation ----- Reserve to March Federal Participation ----- Reserve for Capital Improvements ----- Reserve for Longevity Pay -----	\$ 142,835.06 73,528,094.59 19,365,017.64 546,811.31 114,839.00
Federal Aid Allocations (Schedule A-14) -----	73,528,094.59		

Other Debits:		
Securities and Deposits Held for Others (Sch. A-19)-----	\$ 341,000.00	Reserve for Appropriations in Excess of Estimated Revenues 1963-64-----
		\$ 1,430,594.00
Total Assets-----	\$178,124,469.35	
		\$ 95,128,191.60
		Unappropriated Surplus:
		Balance July 1, 1962-----
		\$ 2,702,503.23
		Add: Balance from current years operation-----
		\$ 3,612,307.68
		Deduct: Transfers to
		Appropriations-----
		\$ 2,694,098.00
		Audit Adjustments-----
		57,211.83
		Balance June 30, 1963-----
		Total Liabilities, Encumbrances, Reserves and Surplus-----
		\$178,124,469.35

**BALANCE SHEET
DEBT SERVICE FUND
June 30, 1963**

EXHIBIT "B"

ASSETS

Cash on Deposit—State Treasurer \$ 23,412,271.61

FUNDED RESERVE

Funded Reserve for Debt Service \$ 23,412,271.61

**BALANCE SHEET
EQUIPMENT FUND
June 30, 1963**

EXHIBIT "C"

ASSETS

Due from Current Fund \$ 3,519,568.54

Equipment \$ 42,594,196.23

Less: Accumulated Depreciation 18,376,736.91

24,217,459.32

Total Assets \$ 27,737,027.86

INVESTMENT

Investment in Equipment Fund \$ 27,737,027.86

SOURCE AND DISPOSITION OF FUNDS
FISCAL YEAR ENDED JUNE 30, 1963

EXHIBIT "D"

	Total	Current Fund	Debt Service Fund
SOURCE OF FUNDS:			
SURPLUS AND RESERVES BROUGHT FORWARD FROM PRIOR YEAR:			
Unappropriated Surplus.....	\$ 2,702,503.23	\$ 2,702,503.23	\$ -0-
Federal Participation.....	71,632,170.04	71,632,170.04	
State Funds to Match Federal Participation.....	11,918,568.18	11,918,568.18	
For State Aid to Municipalities.....	126,274.94	126,274.94	
For Capital Improvements.....	534,331.28	534,331.28	
For General Administration.....	2,018.57	2,018.57	
For Additional Salary Requirements.....	85,370.00	85,370.00	
For Debt Service.....	18,924,231.41		18,924,231.41
	\$105,925,467.65	\$ 87,001,236.24	\$ 18,924,231.41
UNEXPENDED ALLOTMENTS BROUGHT FORWARD FROM PRIOR YEAR:			
FOR STATE MAINTENANCE AND CONSTRUCTION:			
Primary.....	\$ 6,544,225.14	\$ 6,544,225.14	\$ -0-
Secondary.....	15,295,014.78	15,295,014.78	
Urban.....	3,311,409.20	3,311,409.20	
Public Service Roads.....	1,043,823.24	1,043,823.24	
Federal Aid.....	58,449,963.06	58,449,963.06	
Capital Improvements.....	486,140.37	486,140.37	
State Aid to Municipalities.....	58,713.71	58,713.71	
	\$ 85,189,289.50	\$ 85,189,289.50	\$ -0-
STATE REVENUE COLLECTIONS:			
Current Fund.....	\$138,406,591.07	\$138,406,591.07	\$ -0-
Debt Service Fund.....	16,800,102.70		16,800,102.70
	\$155,206,693.77	\$138,406,591.07	\$ 16,800,102.70
PARTICIPATION REVENUE:			
Federal Aid.....	\$ 43,955,047.55	\$ 43,955,047.55	\$ -0-
Property Owners.....	875,718.54	875,718.54	
Cities and Towns.....	1,324,085.32	1,324,085.32	
Audit Adjustments.....	57,211.83*	57,211.83*	
	\$ 46,097,639.58	\$ 46,097,639.58	\$ -0-
DEPARTMENTAL RECEIPTS:			
Highway Commission.....	\$ 838,955.86	\$ 838,955.86	\$ -0-
Department Motor Vehicles.....	2,864,317.34	2,864,317.34	
	\$ 3,703,273.20	\$ 3,703,273.20	\$ -0-
TOTAL FUNDS AVAILABLE.....	\$396,122,363.70	\$360,398,029.59	\$ 35,724,334.11

EXHIBIT "D" (Continued)

	Total	Current Fund	Debt Service Fund
DISPOSITION OF FUNDS:			
EXPENDITURES:			
HIGHWAY COMMISSION:			
General Administration.....	\$ 1,629,784.48	\$ 1,629,784.48	\$ -0-
Engineering Administration.....	4,860,817.14	4,860,817.14	
Contribution to Retirement System.....	2,827,835.32	2,827,835.32	
STATE MAINTENANCE AND CONSTRUCTION:			
Primary.....	24,816,914.29	24,816,914.29	
Secondary.....	65,341,397.85	65,341,397.85	
Urban.....	3,312,764.08	3,312,764.08	
Public Service Roads.....	1,129,575.51	1,129,575.51	
Federal Aid.....	66,364,656.12	66,364,656.12	
Capital Improvements.....	391,045.72	391,045.72	
TOTAL HIGHWAY COMMISSION.....	\$170,674,790.51	\$170,674,790.51	\$ -0-
NON-HIGHWAY DEPARTMENTS:			
Department of Motor Vehicles.....	\$ 13,030,210.77	\$ 13,030,210.77	\$ -0-
Utilities Commission.....	150,238.15	150,238.15	
	\$ 13,180,448.92	\$ 13,180,448.92	\$ -0-
State Aid to Municipalities.....	\$ 7,640,707.92	\$ 7,640,707.92	\$ -0-
Debt Service Retirements.....	12,312,062.50		12,312,062.50
	\$ 19,952,770.42	\$ 7,640,707.92	\$ 12,312,062.50
TOTAL EXPENDITURES.....	\$203,808,009.85	\$191,495,947.35	\$ 12,312,062.50
FOR STATE MAINTENANCE AND CONSTRUCTION:			
Primary.....	\$ 3,979,058.64	\$ 3,979,058.64	\$ -0-
Secondary.....	7,725,451.84	7,725,451.84	
Urban.....	3,282,956.03	3,282,956.03	
Public Service Roads.....	737,094.26	737,094.26	
Federal Aid.....	54,345,359.34	54,345,359.34	
Capital Improvements.....	92,580.87	92,580.87	
State Aid to Municipalities.....	47,888.58	47,888.58	
	\$ 70,210,389.56	\$ 70,210,389.56	\$ -0-
RESERVE FUNDS CARRIED FORWARD:			
Federal Participation.....	\$ 73,528,094.59	\$ 73,528,094.59	\$ -0-
State Funds to Match Federal.....	19,024,344.64	19,024,344.64	
Cities and Towns.....	340,673.00	340,673.00	
Requirements in Excess of Appropriations for			
State Aid to Municipalities 1963-64.....	142,835.06	142,835.06	
Capital Improvements.....	546,811.31	546,811.31	
Additional Salary Requirements.....	114,839.00	114,839.00	
Appropriations in Excess of Estimated			
Receipts 1963-64.....	1,430,594.00	1,430,594.00	
Debt Service.....	23,412,271.61		23,412,271.61
	\$118,540,463.21	\$ 95,128,191.60	\$ 23,412,271.61

EXHIBIT "D" (Continued)

	Total	Current Fund	Debt Service Fund
SOURCE OF FUNDS (Cont'd.):			
UNEXPENDED ALLOTMENTS BROUGHT FORWARD FROM PRIOR YEAR—(Cont'd.):			
UNAPPROPRIATED SURPLUS:			
From Prior Years Operations.....	\$ 8,405.23	\$ 8,405.23	\$ 0-
From Current Years Operations.....	3,612,307.68	3,612,307.68	
Audit Adjustments Fiscal Year 1962-63.....	57,211.83*	57,211.83*	
	\$ 3,563,501.08	\$ 3,563,501.08	\$ -0-
TOTAL DISPOSITION OF FUNDS.....	\$396,122,363.70	\$300,398,029.59	\$ 35,724,334.11
*Indicates Red Figures			

STATEMENT OF REVENUE
FISCAL YEAR ENDED JUNE 30, 1963

EXHIBIT "E"

	Actual	Estimated	Actual Over-Under* Estimated	Actual Last Year	Decrease*
CURRENT FUND:					
Automobile License	\$ 14,684,213.17	\$ 14,610,000.00	\$ 74,213.17	\$ 14,085,300.47	\$ 598,922.70
Truck License	13,670,098.44	13,551,000.00	119,098.44	13,140,917.90	529,180.54
For Hire License	1,835,714.70	1,885,000.00	49,285.30*	1,786,334.80	49,379.90
Motorcycle License	25,963.51	25,000.00	963.51	25,604.55	358.96
Bus and Franchise License	6,158,426.11	5,646,000.00	512,426.11	5,259,617.63	898,808.48
Gasoline Tax (at 6 cents)	97,124,016.66	93,830,000.00	3,294,016.66	91,590,899.25	5,533,117.41
Gasoline Tax Refunds to Highway	965,076.30	800,000.00	165,076.30	823,678.80	141,397.50
Title Fees	1,443,470.25	558,000.00	885,470.25	1,003,044.92	440,425.33
Transfer Fees (Footnote)		340,000.00	340,000.00*	195,740.82	195,740.82*
Penalties	621,442.87	650,000.00	28,557.13*	621,490.84	47.97*
Gasoline Usage Registration	121,692.27	115,000.00	6,692.27	111,490.22	10,202.05
Certificate Fees	9,914.18		9,914.18	8,997.00	917.18
Interest on Drafts	11,600.35		11,600.35	10,694.53	905.82
Miscellaneous		20,000.00	20,000.00*	515.67	515.67*
TOTAL MOTOR VEHICLE REVENUE	\$136,671,628.81	\$132,030,000.00	\$ 4,641,628.81	\$128,664,317.40	\$ 8,007,311.41
OTHER INCOME:					
Miscellaneous	\$ 1,223.93	\$ -0-	\$ 1,223.93	\$ 1,094.96	\$ 128.97
Interest on Funds Invested by Treasurer	1,733,738.33	2,000,000.00	266,261.67*	1,907,372.57	173,634.24*
TOTAL STATE REVENUE	\$ 1,734,962.26	\$ 2,000,000.00	\$ 265,037.74*	\$ 1,908,467.53	\$ 173,505.27*
PARTICIPATION REVENUE:	\$138,406,591.07	\$134,030,000.00	\$ 4,376,591.07	\$130,572,784.93	\$ 7,833,806.14
FEDERAL AID PARTICIPATION:					
Federal Aid Primary	\$ 9,930,532.00	\$ 9,930,532.00	\$ -0-	\$ 9,646,232.00	\$ 284,300.00
Federal Aid Secondary	8,886,438.00	8,886,438.00		8,633,929.80	252,508.20

Federal Aid Urban.....	3,110,862.00	3,110,862.00		3,022,680.77	88,181.23
Federal Aid Interstate.....	21,196,431.55	21,196,431.55		19,583,407.12	1,613,024.43
Federal Aid Defense Access.....				8,146.00*	8,146.00
Federal Aid Forestry.....	182,984.00	182,984.00		194,413.00	11,429.00*
Federal Aid Emergency Relief.....	237,800.00	237,800.00		7,600.00	230,200.00
Federal Aid Emergency "D".....				33,040.00*	33,040.00
Federal Aid Repayable Advances.....				559.00*	559.00
Federal Aid Accelerated Work Program.....	410,000.00	410,000.00			410,000.00
TOTAL FEDERAL AID PARTICIPATION.....	\$ 43,955,047.55	\$ 43,955,047.55	\$ -0-	\$ 41,046,517.69	\$ 2,908,529.86
PROPERTY OWNERS PARTICIPATION:					
STATE MAINTENANCE AND CONSTRUCTION:					
Primary System.....	\$ 1,161.79	\$ 1,161.79	\$ -0-	\$ 12,638.96	\$ 11,477.17*
Secondary System.....	462,088.56	462,088.56		368,233.66	93,854.90
Public Service Roads.....				3,271.50	3,271.50*
Federal Aid Construction.....	412,468.19	412,468.19		726,714.69	314,246.50*
TOTAL PROPERTY OWNERS PARTICIPATION.....	\$ 875,718.54	\$ 875,718.54	\$ -0-	\$ 1,110,858.81	\$ 235,140.27*
CITIES AND TOWNS PARTICIPATION:					
STATE MAINTENANCE AND CONSTRUCTION:					
Primary System.....	\$ 63,340.70	\$ 63,340.70	\$ -0-	\$ 58,115.90	\$ 5,224.80
Secondary System.....	65,000.00	65,000.00			65,000.00
Urban System.....	19,581.70	19,581.70			19,581.70
Public Service Roads.....				7,094.38	7,094.38*
Federal Aid Construction.....	1,176,162.92	1,176,162.92		1,790,102.45	613,939.53*
TOTAL STATE MAINTENANCE AND CONSTRUCTION.....	\$ 1,324,085.32	\$ 1,324,085.32	\$ -0-	\$ 1,855,312.73	\$ 531,227.41*
TOTAL CURRENT FUND REVENUE.....	\$184,561,442.48	\$180,184,851.41	\$ 4,376,591.07	\$174,585,474.16	\$ 9,975,968.32
DEBT SERVICE FUND REVENUE.....	\$ 16,800,102.70	\$ 16,465,000.00	\$ 335,102.70	\$ 16,106,413.19	\$ 693,689.51
TOTAL REVENUE.....	\$201,361,545.18	\$196,649,851.41	\$ 4,711,693.77	\$190,691,887.35	\$ 10,669,657.83

Transfer Fees were combined with Title Fees during the Fiscal Year 1962-63.

*Indicates Red Figures

**STATEMENT OF APPROPRIATIONS, APPORTIONMENTS,
FISCAL YEAR ENDED JUNE 30, 1963**

	Unexpended Allotments 7-1-62	Appropriations Apportionments Participations	Allotments
CURRENT FUND:			
CURRENT ACCOUNTS:			
NON-HIGHWAY DEPARTMENTS:			
Dept. of Motor Vehicles.....	\$ -0-	\$ 10,632,906.00	\$ 10,165,893.43
Utilities Comm.....		163,522.00	150,238.15
TOTAL NON-HIGHWAY Departments.....	\$ -0-	\$ 10,796,428.00	\$ 10,316,131.58
HIGHWAY COMMISSION:			
Gen. Admin.....	\$ -0-	\$ 1,722,409.57	\$ 1,612,425.86
Eng. Admin.....		5,058,342.00	4,840,067.29
Leg. Salary Increases Employer's Contribution to the Retirement System.....		2,827,874.00	2,827,835.32
TOTAL HIGHWAY COMM.....	\$ -0-	\$ 9,608,625.57	\$ 9,280,328.47
TOTAL CURRENT ACCOUNTS.....	\$ -0-	\$ 20,405,053.57	\$ 19,596,460.05
ENCUMBRANCE ACCOUNTS:			
NON-HIGHWAY DEPARTMENTS:			
State Aid to Municipalities.....	\$ 58,713.71	\$ 7,632,574.94	\$ 7,629,882.79
HIGHWAY COMMISSION:			
STATE MAINTENANCE AND CONSTRUCTION:			
PRIMARY SYSTEM:			
Appropriations.....	\$ 6,544,225.14	\$ 21,900,374.00	\$ 21,900,374.00
Participation by Cities & Towns.....		63,340.70	63,340.70
Participation by Property Owners.....		1,161.79	1,161.79
Expenditures.....			
TOTAL PRIMARY.....	\$ 6,544,225.14	\$ 21,964,876.49	\$ 21,964,876.49
SECONDARY SYSTEM:			
Appropriation.....	\$ 15,295,014.78	\$ 56,889,655.00	\$ 56,889,655.00
Participation by Cities & Towns.....		65,000.00	65,000.00
Participation by Property Owners.....		462,088.56	462,088.56
Expenditures.....	\$ -0-	\$ -0-	\$ -0-
TOTAL SECONDARY.....	\$ 15,295,014.78	\$ 57,416,743.56	\$ 57,416,743.56
URBAN SYSTEM:			
Appropriation.....	\$ 3,311,409.20	\$ 3,252,405.00	\$ 3,252,405.00
Participation by Cities & Towns.....		19,581.70	19,581.70
Expenditures.....			
TOTAL URBAN.....	\$ 3,311,409.20	\$ 3,271,986.70	\$ 3,271,986.70
PUBLIC SERVICE ROADS:			
Appropriations.....	\$ 1,043,823.24	\$ 820,000.00	\$ 820,000.00
Expenditures.....			
TOTAL PUBLIC SERVICE ROADS.....	\$ 1,043,823.24	\$ 820,000.00	\$ 820,000.00
TOTAL STATE MAINTENANCE & CONSTRUCTION.....	\$ 26,194,472.36	\$ 83,473,606.75	\$ 83,473,606.75

ALLOTMENTS AND EXPENDITURES

EXHIBIT "F"

Expenditures			Unallotted Appropriations	Unexpended Appropriations	Unexpended Allotments
Gross	Receipts	Net			
\$ 13,030,210.77 150,238.15	\$ 2,864,317.34 -----	\$ 10,165,893.43 150,238.15	\$ 467,012.57 13,283.85	\$ 467,012.57 13,283.85	\$ -0- -----
\$ 13,180,448.92	\$ 2,864,317.34	\$ 10,316,131.58	\$ 480,296.42	\$ 480,296.42	\$ -0-
\$ 1,629,784.48 4,860,817.14	\$ 17,358.62 20,749.85	\$ 1,612,425.86 4,840,067.29	\$ 109,983.71 218,274.71	\$ 109,983.71 218,274.71	\$ -0- -----
2,827,835.32	-----	2,827,835.32	38.68	38.68	-----
\$ 9,318,436.94	\$ 38,108.47	\$ 9,280,328.47	\$ 328,297.10	\$ 328,297.10	\$ -0-
\$ 22,498,885.86	\$ 2,902,425.81	\$ 19,596,460.05	\$ 808,593.52	\$ 808,593.52	\$ -0-
\$ 7,640,707.92	\$ -0-	\$ 7,640,707.92	\$ 2,692.15	\$ 50,580.73	\$ 47,888.58
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
24,816,914.29	286,871.30	24,530,042.99	-0-	-0-	-0-
\$ 24,816,914.29	\$ 286,871.30	\$ 24,530,042.99	\$ -0-	\$ 3,979,058.64	\$ 3,979,058.64
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
\$ 65,341,397.85	\$ 355,091.35	\$ 64,986,306.50	\$ -0-	\$ -0-	\$ -0-
\$ 65,341,397.85	\$ 355,091.35	\$ 64,986,306.50	\$ -0-	\$ 7,725,451.84	\$ 7,725,451.84
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
3,312,764.08	12,324.21	3,300,439.87	-----	-----	-----
\$ 3,312,764.08	\$ 12,324.21	\$ 3,300,439.87	\$ -0-	\$ 3,282,956.03	\$ 3,282,956.03
\$ -0- 1,129,575.51	\$ -0- 2,846.53	\$ -0- 1,126,728.98	\$ -0- -----	\$ -0- -----	\$ -0- -----
\$ 1,129,575.51	\$ 2,846.53	\$ 1,126,728.98	\$ -0-	\$ 737,094.26	\$ 737,094.26
\$ 94,600,651.73	\$ 657,133.39	\$ 93,943,518.34	\$ -0-	\$ 15,724,560.77	\$ 15,724,560.77

	Unexpended Allotments 7-1-62	Appropriations Apportionments Participations	Allotments
CURRENT FUND (Cont'd.):			
ENCUMBRANCE ACCOUNTS (Cont'd.):			
HIGHWAY COMMISSION (Cont'd.):			
HIGHWAY CONSTRUCTION FEDERAL AID:			
Unexpended Allotments.....	\$ 58,449,963.06	-0-	\$ -0-
APPORTIONMENTS:			
Federal Aid Primary.....		20,755,391.07	7,912,864.00
Federal Aid Secondary.....		22,793,001.51	7,640,930.00
Federal Aid Urban.....		10,930,501.69	6,511,959.00
Fed. Aid Interstate.....		59,605,934.32	19,112,433.00
Fed. Aid Forestry.....		847,767.00	297,755.00
Fed. Aid Emergency Relief.....		244,622.00	173,182.00
Accelerated Public Works Program.....		410,000.00	410,000.00
PARTICIPATIONS:			
Cities & Towns.....		1,176,162.92	835,489.92
Property Owners.....		412,468.19	412,468.19
Expenditures.....			
TOTAL FEDERAL AID FUNDS.....	\$ 58,449,963.06	\$117,175,848.70	\$ 43,307,081.11
State Funds to Match Federal Funds.....	\$ -0-	\$ 37,843,568.18	\$ 18,819,223.54
TOTAL FEDERAL AID CONSTRUCTION.....	\$ 58,449,963.06	\$155,019,416.88	\$ 62,126,304.65
CAPITAL IMPROVEMENTS:			
Appropriations.....	\$ 486,140.37	\$ 534,331.28	\$ 12,480.03*
Expenditures.....			
TOTAL CAPITAL IMPROVEMENTS.....	\$ 486,140.37	\$ 534,331.28	\$ 12,480.03*
TOTAL ENCUMBRANCE ACCOUNTS.....	\$ 85,189,289.50	\$246,659,929.85	\$153,217,314.16
TOTAL CURRENT FUND.....	\$ 85,189,289.50	\$267,064,983.42	\$172,813,774.21
DEBT SERVICE FUND:			
Interest on Road Bonds.....	\$ -0-	\$ 1,462,063.00	\$ 1,462,062.50
Redemption of Road Bonds.....		10,850,000.00	10,850,000.00
TOTAL DEBT SERVICE FUND.....	\$ -0-	\$ 12,312,063.00	\$ 12,312,062.50
GRAND TOTALS.....	\$ 85,189,289.50	\$279,377,046.42	\$185,125,836.71

*Indicates Red Figures

EXHIBIT "F" (Continued)

Expenditures			Unallotted Appropriations	Unexpended Appropriations	Unexpended Allotments
Gross	Receipts	Net			
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
66,364,656.12	133,747.75	66,230,908.37	-0-	-0-	-0-
\$ 66,364,656.12	\$ 133,747.75	\$ 66,230,908.37	\$ 73,868,767.59	\$ -0-	\$ -0-
\$ -0-	\$ -0-	\$ -0-	\$ 19,024,344.64	\$ -0-	\$ -0-
\$ 66,364,656.12	\$ 133,747.75	\$ 66,230,908.37	\$ 92,893,112.23	\$ 147,238,471.57	\$ 54,345,359.34
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
391,045.72	9,966.25	381,079.47			
\$ 391,045.72	\$ 9,966.25	\$ 381,079.47	\$ 546,811.31	\$ 639,392.18	\$ 92,580.87
\$ 168,997,061.49	\$ 800,847.39	\$ 168,196,214.10	\$ 93,442,615.69	\$ 163,653,005.25	\$ 70,210,389.56
\$ 191,495,947.35	\$ 3,703,273.20	\$ 187,792,674.15	\$ 94,251,209.21	\$ 164,461,598.77	\$ 70,210,389.56
\$ 1,462,062.50	\$ -0-	\$ 1,462,062.50	\$.50	\$.50	\$ -0-
10,850,000.00		10,850,000.00			
\$ 12,312,062.50	\$ -0-	\$ 12,312,062.50	\$.50	\$.50	\$ -0-
\$ 203,808,009.85	\$ 3,703,273.20	\$ 200,104,736.65	\$ 94,251,209.71	\$ 164,461,599.27	\$ 70,210,389.56

**STATEMENT OF BONDED INDEBTEDNESS AND
DEBT SERVICE REQUIREMENTS
AUTHORIZED BY CHAPTER 1250 SESSION LAWS OF 1949
AS OF JUNE 30, 1963**

EXHIBIT "G"

Cash on Hand July 1, 1962.....	\$ 18,924,231.41
Revenue Collections 1962-63.....	16,800,102.70
TOTAL AVAILABLE.....	\$ 35,724,334.11
MATURITIES 1962-63:	
Principal.....	\$ 10,850,000.00
Interest.....	1,462,062.50
	<u>12,312,062.50</u>
Cash on Hand June 30, 1963.....	<u><u>\$ 23,412,271.61</u></u>

	Bonds Retired		Interest Paid Current Year	Bonds Outstanding 6-30-63
	At June 30, 1962	Current Year		
1950-51.....	\$ 6,000,000.00	\$ -0-	\$ -0-	\$ -0-
1951-52.....	6,100,000.00			
1952-53.....	5,500,000.00			
1953-54.....	9,400,000.00			
1954-55.....	9,550,000.00			
1955-56.....	9,700,000.00			
1956-57.....	9,850,000.00			
1957-58.....	10,000,000.00			
1958-59.....	10,200,000.00			
1959-60.....	10,350,000.00			
1960-61.....	10,500,000.00			
1961-62.....	10,700,000.00			
1962-63.....	-0-	\$ 10,850,000.00	\$ 1,462,062.50	
1963-64.....		-0-	-0-	\$ 11,050,000.00
1964-65.....				11,250,000.00
1965-66.....				11,400,000.00
1966-67.....				11,600,000.00
1967-68.....				11,800,000.00
1968-69.....				12,000,000.00
1969-70.....				12,200,000.00
	<u>\$107,850,000.00</u>	<u>\$ 10,850,000.00</u>	<u>\$ 1,462,062.50</u>	<u>\$ 81,300,000.00</u>

APPENDIX "B"

NORTH CAROLINA STATE HIGHWAY COMMISSION
Raleigh, North Carolina

REPORT ON AUDIT

FISCAL YEAR ENDED JUNE 30, 1964

W. F. BABCOCK, *Director*

MEMBERS OF THE COMMISSION

MERRILL EVANS, *Chairman*

C. L. BENSON
C. W. BRAME
J. O. BUCHANAN
GRAHAM ELLIOTT
LAUNCH FAIRCLOTH
J. K. GLENN
W. E. HORNER
E. M. TATE, JR.

TED JORDAN
D. W. JOYNER
J. B. KIRKSEY
TOM McLEAN
CLINT NEWTON
H. G. PHILLIPS
J. E. WEBB
J. G. WOOD

P. R. YOUNTS

E. T. AIKEN—*Acting Controller*

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**DEPARTMENT OF STATE AUDITOR
BUREAU OF INSTITUTIONAL AND
DEPARTMENTAL AUDITING
Raleigh, North Carolina**

THE ADVISORY BUDGET COMMISSION

Raleigh, North Carolina

Gentlemen:

We have made an examination of the books and records of the

**NORTH CAROLINA STATE HIGHWAY COMMISSION
Raleigh, North Carolina**

For the fiscal year ended June 30, 1964, consisting of seven exhibits and twenty-three schedules. Our examination included the following funds maintained by the Finance Department:

- (1) Current Fund
- (2) Debt Service Fund
- (3) Equipment Fund

State revenue collections recorded by the Current Fund for the year amounted to \$197,382,589.57 which was \$3,078,215.18 more than had been estimated.

A summary comparison of Current Fund revenues and expenditures is presented below:

	Fiscal Year Ended		Increase Decrease*
	6-30-64	6-30-63	
REVENUES:			
Motor Vehicle Revenue.....	\$146,107,738.21	\$136,671,628.81	\$ 9,436,109.40
Federal Aid Revenue.....	45,877,705.99	43,955,047.55	1,922,658.44
Participating Revenue.....	3,427,668.40	2,199,803.86	1,227,864.54
Interest on Investments.....	1,968,852.60	1,733,738.33	235,114.27
Miscellaneous.....	624.37	1,223.93	599.56*
	<u>\$197,382,589.57</u>	<u>\$184,561,442.48</u>	<u>\$ 12,821,147.09</u>
EXPENDITURES:			
Non-Highway Departments.....	\$ 11,614,201.15	\$ 10,316,131.58	\$ 1,298,069.57
General Administration.....	1,810,761.98	1,612,425.86	198,336.12
Engineering Administration.....	5,144,000.19	4,840,067.29	303,932.90
Contribution to Retirement.....	3,030,823.61	2,827,835.32	202,988.29
State Maint. & Construction.....	83,162,356.86	93,943,518.34	10,781,161.48*
State Aid to Municipalities.....	8,075,652.53	7,640,707.92	434,944.61
Federal Aid.....	77,260,379.83	66,230,908.37	11,029,471.46
Capital Improvements.....	1,523,761.18	381,079.47	1,142,681.71
TOTAL EXPENDITURES.....	\$191,621,937.33	\$187,792,674.15	\$ 3,829,263.18
EXCESS REVENUES OVER EXPEND.....	\$ 5,760,652.24	\$ 3,231,231.67*	\$ 8,991,883.91

*Indicates red figure

Following we show the Application of Unallotted Appropriation Balances, and excess of Actual Revenues over that estimated:

BALANCES:

From unallotted current appropriations (Exhibit "E").....	\$ 1,650,069.07	
From unallotted encumbrance appropriations (Exhibit "E").....	76,477,044.12	
Excess of actual revenue over estimated (Exhibit "D").....		3,078,215.18
Unappropriated surplus June 30, 1963.....	\$ 3,620,712.91	
LESS: Transfers to appropriations.....	3,545,665.00	75,047.91
		<u>\$ 81,280,376.28</u>

APPLICATION OF BALANCES—(RESERVES CARRIED FORWARD):

Federal participation.....	\$ 62,371,377.58	
State funds to match Federal.....	12,061,713.51	
Department of Motor Vehicles.....	106,615.00	
Capital Improvements.....	1,528,516.97	
State Aid to Municipalities.....	70,968.12	
Contingencies.....	68,928.00	
Additional salary requirements.....	334,248.00	
Unappropriated surplus June 30, 1964.....	4,738,009.10	
		<u>\$ 81,280,376.28</u>

Cash in banks consists of accounts established throughout the state for the payment of small or emergency purchases. All of these accounts were examined and reconciled. We observed that in some cases the regulation that single purchases may not exceed \$25.00 is being circumvented by having the vendor make more than one invoice, showing different dates in order to remain within the \$25.00 limitation. This causes additional paper work. The limitation may be in need of a revision in the event of an emergency.

Accounts receivable were listed and reviewed and confirmations mailed on a selected group. We did not confirm the accounts with the U. S. Bureau of Public Roads. Contracts with cities and towns, as well as Public Service Agencies and utilities are not always complete. These contracts are in some cases running for a number of years and billed as work is actually performed.

Inventories at June 30, were taken by Highway personnel. We were not present at the time; however, we did test check a number of larger items at the Central Garage in Raleigh and examined the inventory lists for mathematical accuracy. Only minor errors were discovered during our test check.

Inventories at June 30, 1964 consisted of the following:

Repair Parts.....	\$ 2,204,506.40
Gasoline and Oil.....	260,040.76
Bridge and Ferries.....	165,335.76
Landscaping.....	134,802.23
Inventory in Transit.....	970,410.97
(a) Equipment Fund Parts.....	1,164,251.02
Job orders in progress.....	576.73
TOTAL.....	<u>\$ 4,899,923.87</u>

(a) Contracted for by the Equipment Fund and will be charged to the Equipment Fund when paid.

Schedule A-12 shows the Federal Aid Allocations \$62,371,377.58 divided into systems, and was verified with official notice from the U. S. Bureau of Public Roads.

Securities held for others were examined at the Wachovia Bank & Trust Company lock box.

Accounts Payable at June 30, 1964 were as follows:

Unfilled purchase orders for parts, materials, services and gasoline.....	\$ 5,642,299.88
Group insurance premiums.....	53,181.21
Workmen's Compensation claims.....	60,561.08
Public Liability claims.....	32,394.07
	<hr/>
	\$ 5,788,436.24

We examined and checked the open purchase orders for authenticity and accuracy. We found an excessive number of small errors in the calculations extending unfilled purchase orders.

The liability to the Equipment Fund represents the excess of rental income, and sales over the Equipment Fund expenses and purchases of equipment paid for out of current fund cash.

Encumbrance allotments \$93,439,570.03 represents funds allocated to maintenance and construction and remain intact until each project is completed. Reference to work orders overspent will be made later in this report.

AIRPLANE OPERATIONS AIR COMMANDER 500

The following information was obtained from the daily log of flight time maintained by the pilot, and from other records maintained by the Highway Commission:

Hours in flight 316:50 at \$69.04.....	\$ 21,874.17
39:15 at \$66.77.....	2,620.72
	<hr/>
	\$ 24,494.89
LESS: Maintenance flight 14¼ hrs.....	983.82
	<hr/>
Productive flight income.....	\$ 23,511.07
EXPENSES:	
Labor.....	\$ 48.74
Parts and repairs.....	10,739.52
Fuel, Lubricants.....	4,989.52
Depreciation.....	10,684.44
Insurance.....	1,352.72
	<hr/>
	27,814.94
	<hr/>
Net loss for 1963-64.....	\$ 4,303.87*
	<hr/>
Accumulated deficit June 30, 1963.....	\$ 289.79
ADD: Deficit for 1963-64.....	4,303.87
	<hr/>
Accumulated deficit June 30, 1964.....	\$ 4,593.66

RATE FORMULA:

Expenditures 1964 + Accumulated Deficit

Productive Flight Hours

\$27,814.94 + 4,593.66

Rate = $\frac{\text{Expenditures 1964 + Accumulated Deficit}}{\text{Productive Flight Hours}}$ = \$99.50 per hour

The above calculation shows the rate necessary to charge during 1964-65 in order to absorb the previous deficit and this year's expenses, assuming that flight hours and the expenses are the same during 1964-65 as they were during 1963-64. If the anticipated flight hours or expenditures during 1964-65 are considerably different from those during 1963-64, this could be taken into consideration, on a conservative basis, in setting the rate. Another factor which will effect the income for 1964-65 is that several months have already been charged at the old rate. Attention is also called to the fact that none of the pilot's salary is charged as a cost against the operation of the airplane.

FERRY OPERATIONS

The operations of the Atlantic-Ocracoke Ferry are shown as Schedule 22. The ferry receipts amounted to \$84,162.96. The operating expenditures amounted to \$179,740.26 resulting in an operating deficit of \$95,577.30. The state of North Carolina provided an appropriation of \$211,000.00 net after clearing a prior years deficit of \$7,243.50.

The policy of furnishing uniforms for ferry personnel was adopted during the fiscal year. A working agreement with Carolina Overall Co., Rocky Mount, N. C. was consummated providing that such uniforms suitable for summer and winter wear be rented, and that this firm would also provide laundry service. A tabulation of the cost of this service was made and the total for the year came to \$8,592.13.

POWELL BILL

Chapter 136 (Section 41.2-41.3) of the General Statutes of North Carolina requires that a sum equal to the amount produced by one-half cent of the regular six cents per gallon state motor fuel tax be allocated annually to active and qualifying North Carolina municipalities, cities and towns. These payments to municipalities have been made since 1951. Four hundred and twenty units now participate in this program. During the current year \$8,075,652.53 was distributed under this bill.

Each municipality is required to file a certified statement relating to elections, ad valorem tax, budget ordinance and miles of local streets, in order to qualify for participation in the Powell Bill funds distributed. This certified statement must be signed by the Mayor and Clerk of the City, and also by a registered Engineer or Land Surveyor.

CONTRACTORS CLAIMS

A review of the records of claims made by contractors against the State of North Carolina was made October 23, 1964. The following list includes claims of record November 23, 1963 and those added since:

Claim No.	Claimant	Amount	Disposition
1	Southern Roadbuilders.....	\$ 214,396.00	Awarded \$2,117.32
2	Nello Teer Co.....	19,654.00	No award—Pending
3	Nello Teer Co.....	15,496.79	No award—Pending
4	W. L. Costen.....	29,493.00	Awarded \$15,991.04
5	Ballanger Paving Co.....	2,900.00	Appealed to Superior Court—No award
6	W. E. Graham.....	245,318.00	Denied—No appeal to date
7	Dickerson Co.....	5,319.00	In litigation
8	Dickerson Co.....	16,591.00	In litigation
9	Nello Teer Co.....	803,489.00	Appealed to Supreme Court
10	Asheville Construction Co.....	15,778.00	Awarded \$4,339.39
11	W. E. Graham.....	133,286.00	Awarded \$25,000.00
12	Nello Teer Co.....	5,318.00	In litigation
13	W. B. Dillard Co.....	163,838.00	In litigation
14	Nat'l. Landscaping Co.....	106,655.00	In litigation
15	C. C. Mangum Co.....	42,477.00	Awarded \$11,009.38
16	Dickerson Co.....	7,094.00	No award—No appeal
17	Jerry Liner.....	7,978.00	No award—No appeal
18	W. J. McLamb.....	3,000.00	No award—No appeal
19	Sherman Simpson.....	14,400.00	No award—No appeal
20	W. B. Dillard.....	7,216.00	No award—No appeal
21	Zephyr Construction Co.....	53,560.00	Contingent Claim
22	Propet Construction Co.....	36,058.00	Awarded \$2,508.64
23	Dickerson Co.....	19,030.00	In litigation
24	Rea Construction Co.....	1,400.63	Awarded in full
25	L. A. Reynolds Co.....	16,400.00	Barred by Statute of Limitations
26	Blue Ridge Structure Co.....	975.00	Pending
27	Asheville Contracting Co.....	7,800.00	Paid \$4,500.00 has until 2-10-65 to appeal
28	Macon Construction Co.....	66,895.00	In litigation
29	W. B. Dillard Co.....	30,320.00	Paid \$7,100.00 has until 2-10-65 to appeal
30	Macon Construction Co.....	4,921.00	In litigation
31	Orange Construction Co.....	13,900.00	In litigation
32	Orange Construction Co.....	6,300.00	In litigation
33	Guard Rail Erectors Inc.....	25,703.00	In litigation
34	Guard Rail Erectors Inc.....	7,300.00	In litigation
35	Guard Rail Erectors Inc.....	10,800.00	In litigation

The General Assembly of North Carolina 1963 session enacted G. S. 136-29, which regulates the method of filing and handling claims made by contractors against the State Highway Commission. The claimant must file any claims within sixty days after receiving his final estimate. If the contractors claim is denied by the Director of Highways; the contractor has six months to institute civil action against the Highway Commission.

The Nello Teer claim #9 shown above in the amount of \$803,489.00 was reviewed by an Arbitration Board. The award by the Board was not agreeable to the parties. Suit was filed in Superior Court, and from this point the case has been appealed to the Supreme Court. This case is based on a claim of defective work performed before Nello Teer Company began their contract, and also due to erosion resulting from a period of bad weather. This claim was filed before the enactment of G. S. 136-29.

ADDITIONAL EMPLOYEES

For the 1963-65 biennium the Highway Commission requested a total of forty-seven (47) new positions at an estimated annual cost of \$307,036.00.

The 1963 legislature approved sixteen (16) of these positions at an annual cost of \$96,504.00.

Since the legislature adjourned the Highway Commission requested a great many additional positions, three hundred and twenty-six (326) of which were approved by the Budget Division of the Department of Administration at an annual cost of \$1,733,150.00.

Funds to meet the annual costs of these additional positions were to be provided from the following:

Appropriations for Maintenance and Construction.....	\$ 1,609,750.00
Reserve for Contingencies	123,400.00
	<hr/>
	\$ 1,733,150.00
	<hr/>

We question the propriety of transferring funds as indicated above to salaries. In our opinion this number of employees should not have been added without legislative approval. The legislature approved only sixteen employees out of a request for forty-seven in these same areas.

TRANSFER TO UNAPPROPRIATED SURPLUS

At June 30, 1964 state matching funds had an unallotted appropriations balance of \$12,177,960.13. This was the amount the Highway Commission requested be carried forward as State Matching Funds for the fiscal year 1964-65. When the authorized appropriations were received from the Budget Division, the state matching funds had been reduced \$500,000.00 resulting in this amount being brought forward as unappropriated surplus. Unappropriated surplus is subject to allocation by the Governor without restriction.

COMPARISON OF WORK ORDERS IN OVERDRAFT

At December 31, 1963 there were 896 work orders in overdraft \$17,175,272.62.

On June 30, 1964 there were 877 work orders in overdraft as follows:

System	Number	Amount
Primary System.....	182	\$ 1,166,768.78
Secondary System.....	349	2,469,977.52
Urban System.....	72	107,209.69
Public Service Roads.....	18	28,005.81
Federal Aid.....	256	7,474,974.76
	<hr/>	<hr/>
	877	\$ 12,246,936.56
	<hr/>	<hr/>

The dollar amount in overdraft has decreased by \$4,928,336.06 since December 1963. However, the number of work orders in overdraft has only been reduced by 19. The majority of these overdrafts exists in the Federal Aid and Secondary Systems. Continued effort should be made to substantially reduce both the number of work orders in overdraft as well as the dollar amount.

SILAS CREEK PARKWAY

Work 8.28307

5.1 Miles of Roadway in and Near Winston-Salem, N. C.

W. F. Ray Resident Engineer

This contract was awarded to L. A. Reynolds Co., Winston-Salem, North Carolina. The estimated cost of this project \$999,633.06 proved to be underestimated by \$636,991.52.

Original funds were provided by transferring unexpended funds from a work order allocated for Beaucatcher Tunnel, Asheville \$499,313.97 by authority of Governor Hodges October 9, 1959. An additional transfer from work order 8.28303 by Governor Hodges, provided \$526,612.53 making a total of \$1,025,926.50 available for Silas Creek Parkway. The work order number assigned to this project indicates that U. S. Bureau of Public Roads was participating in the cost, however no participating request was made to the Bureau.

At the close of 1962 the cost of Silas Creek Parkway had exceeded the available funds by \$578,822.48 leaving this project in serious overdraft.

During January 1963 an allocation to cover the overdraft was requested in the amount of \$600,073.50. This allocation was to be taken from funds appropriated as state funds to match Federal funds. Since there was no federal funds in this project, the Budget Division refused to approve the allocation.

The Budget Division, however, in January 1964, did approve \$121,664.03 for this project out of the State matching funds.

At this point an additional contract had been approved for the extension of the Silas Creek Parkway under work order number 8.28317 which included Federal participation to the extent of 50%.

During March 1964 the work was completed on the original contract 8.28307 and the work order was due for closing. This could not be done with a \$478,632.67 overdraft existing. The expediency of transfer was employed, so this overdraft was transferred to the new work order #8.28317.

This transfer to work order #8.28317 will not be subject to Federal Participation.

PAYROLL CHECK SIGNATURES

Endorsements on the Payroll checks for a limited period were compared with the signatures on the withholding exemption certificates. Only three exceptions were taken to those checks examined. We have written the parties concerned, and all of these have been returned with satisfactory explanation.

COST CONTROL

Certain employees were hired by the Equipment Department during June and July 1964. These employees were assigned to work in the Project Control Section, and the personnel office, neither of which has any relation to the Equipment Department. While it appears that none of these employees worked for an extended period of time; however, this resulted in a mischarge of departmental salaries. A great deal of correspondence was exchanged between the finance department and others in an attempt to secure the full facts in the case.

It is also noted that the use of state-wide construction funds in the Primary System has been diverted to the use of the Urban System. The finance department has all along insisted that the funds be transferred in order to set up the appropriate funds under the urban system using urban system work orders to perform the work. This would enable the finance department to report the disbursement under the proper system. Instances were noted in Vance, Wake, Martin, Nash, Lenoir and Forsyth Counties.

Project numbers are assigned in order to accumulate costs on a particular job. It has been brought to our attention that in several cases more than one Project number has been assigned to the same job. These matters are being reported in the interest of proper costing and reporting.

ADVANCE RIGHT-OF-WAY PURCHASES

On August 12, 1964 an agreement was made between the Budget Division of the Department of Administration and the Finance Department of the North Carolina State Highway Commission concerning the procedures to be followed for Advance Right-of-Way Acquisitions. A summary of this agreement is as follows:

- (1) Purchases to be paid for out of current fund Highway Cash.
- (2) Property so acquired to be capitalized on the Balance Sheet under the heading of "Advance Right-of-Way Acquisitions."
- (3) These capital expenditures will be charged against the project allotments as the projects are begun to be constructed.
- (4) Amounts received from cities and towns may be applied against the projects in which obligations to the state exists due to agreements executed.

Approximately one month after this agreement the Commissioners were advised by the Director in their regular meeting that beginning July 1, 1963 the actual municipal payments on the right-of-way sharing agreements would go into a separate cash fund for the purchase of right-of-way parcels that are needed to prevent buildings from blocking future highway improvements.

The reference to a separate cash fund is not in accordance with item (1) of the agreement wherein it is stated that the acquisitions shall be paid for out of Current Fund Highway Cash. Receipts from cities and towns under executed agreement are deposited to the Highway Fund cash account with the State Treasurer. It appears that there may be some difference of opinion concerning the procedures in connection with the funds available for advance acquisition of right-of-way.

GENERAL STATUTES 136-4.1

"There shall be a controller, who shall be the financial officer of the Highway Department. On July 1, 1961, and every four years thereafter, the State Highway Commission shall appoint, subject to the approval of the Governor, the Controller to serve for a four year term. The Controller shall, under the direction of the Director of Highways, and in accordance with the requirements of the Executive Budget Act, develop formalized procedures, budgets, internal audits, systems and reports covering all financial phases of Highway activity".

Since this law was enacted two new departments have been developed into the administrative operations of the North Carolina State Highway Commission by the Director of Highways.

(1) Project Control Center.

(2) Audits, Investigations and Management Control.

The project control center operates as a service department and is staffed to the Director of Highways. This department handles all transactions with the Federal Bureau of Public Roads, maintains master project control files, initiates work orders for performance of work, furnishes information on the status of all projects in the planning, design and construction stage to the public at large, the Highway Commission and the administrative and engineering departments of the Highway Commission. This department works up the programming agreements with the Bureau of Public Roads, and submits vouchers to the Federal Bureau on contracts in progress, and submits final vouchers to the Bureau.

The Department of Audit Investigation and Management Control was established by the Director in August 1963. This department is staffed by Engineers, investigative agents and accountants who are working under the direction of the Director and Chief Engineer of the Highways. The functions of this department have not been very definitely defined to date.

The Finance Department under the Controller maintains a staff of Internal Auditors, a systems supervisor, a staff of Programmers for the Computer, personnel for Data Processing Division, and a staff of experienced accountants and clerks.

As can be seen from the above, several functions normally considered the responsibility of the controller's office have been transferred to other areas. The placing of dual responsibility for budgets, internal audits, systems, and other financial matters as the function of two or more separate units results in inefficiency and confusion. The controller must be consulted in all fiscal matters concerning the present as well as the future if he is expected to maintain proper records and report in a responsible manner.

Any substantial reductions in the duties and responsibilities of the controller would prove serious and would tend to render the controller along with the entire finance department totally ineffective.

The assistance and cooperation of the staff members and management of the N. C. State Highway Commission during the course of our examination is gratefully acknowledged.

Respectfully submitted,
HENRY L. BRIDGES
State Auditor

NORTH CAROLINA STATE HIGHWAY COMMISSION

BALANCE SHEET CURRENT FUND

June 30, 1964

EXHIBIT "A"

ASSETS		LIABILITIES, RESERVES AND SURPLUS	
CASH:	On Deposit—State Treasurer (Sch. A-1).....		
	Cash in Banks (Sch. A-3).....		
	\$ 57,714,110.33		
	20,050.00		
	\$ 57,734,160.33		
ACCOUNTS RECEIVABLE:			
Travel Advances to Employees (Sch. A-6).....			
State Departments (Sch. A-7).....			
Department of Motor Vehicles Imprest Fund.....			
Due from Property Owners (Sch. A-8).....			
Due from Cities & Towns (Sch. A-9).....			
Other Receivables (Sch. A-10).....			
Due from Former Employees.....			
Due from Cities & Towns—Water.....			
	\$ 23,641.00		
	70,563.06		
	15,000.00		
	110,670.26		
	2,338,647.44		
	353,184.91		
	111.72		
	18,705.52		
	\$ 2,930,473.91		\$ 15,957,899.78
DUE FROM U.S. BUREAU OF PUBLIC ROADS (Sch. A-11).....			
	\$ 62,753,830.00		
FEDERAL AID ALLOCATIONS (Sch. A-12).....			
	\$ 62,371,377.58		
INVENTORIES:			
Stores (Sch. A-14).....			
Completed Parts.....			
Job Orders In Progress.....			
	\$ 3,735,096.12		
	1,164,251.02		
	576.73		
	\$ 4,899,923.87		\$ 396,019.74
LIABILITIES:			
Accounts Payable (Sch. A-16).....			
Due to Equipment Fund (Sch. C-1).....			
Allowance for Vacations, Holidays & Sick Leave.....			
Accrued Payroll.....			
Accrued Taxes (Sch. A-17).....			
	\$ 5,788,436.24		
	8,529,788.70		
	1,264,817.28		
	372,627.25		
	2,230.31		
	\$ 15,957,899.78		
ENCUMBRANCE ALLOTMENTS:			
Primary.....			
Secondary.....			
Urban & Public Service Roads.....			
Capital Improvements.....			
Federal Aid.....			
State Aid to Municipalities (Exhibit "E").....			
	\$ 6,301,223.23		
	12,726,954.69		
	4,911,563.74		
	863,314.03		
	68,586,046.29		
	50,468.05		
	\$ 93,439,570.03		
OTHER CREDITS:			
Special Deposits (Sch. A-15).....			
Undistributed Motor Vehicle Revenue.....			
	\$ 391,225.00		
	5,394.74		
RESERVES:			
For Federal Participation.....			
State Funds to Match Federal.....			
	\$ 62,371,377.58		
	11,677,960.13		

EXHIBIT "A" (Continued)

ASSETS		LIABILITIES, RESERVES AND SURPLUS	
OTHER DEBITS:			
Undistributed Charges	\$ 7,499.21	State Funds to Match Federal HPS and HPR	383,753.38
Securities and Deposits Held for Others (Sch. A-15)	376,000.00	Department of Motor Vehicles	106,615.00
Advance Acquisition of Right-of-Way	1,200.83	Capital Improvements	1,528,516.97
		State Aid to Municipalities	70,968.12
		Contingencies	68,928.00
		Additional Salary Requirements	334,248.00
	\$ 384,700.14		
			\$ 76,542,367.18
TOTAL ASSETS		UNAPPROPRIATED SURPLUS	\$ 4,738,009.10
		TOTAL LIABILITIES	\$191,074,465.83

**BALANCE SHEET
DEBT SERVICE FUND
June 30, 1964**

EXHIBIT "B"

ASSETS		
Cash on Deposit—State Treasurer		\$ 28,591,987.75
FUNDED RESERVE		
FUNDED RESERVE FOR DEBT SERVICE:		
Balance 7-1-63	\$ 23,412,271.61	
Add: Revenues (1 cent tax) 1963-64	17,534,903.64	
	\$ 40,947,175.25	
DEDUCT: Bond Retirement and Interest	12,355,187.50	
		\$ 28,591,987.75

**BALANCE SHEET
EQUIPMENT FUND
June 30, 1964**

EXHIBIT "C"

DUE FROM CURRENT FUND			\$ 8,529,788.70
EQUIPMENT		\$ 44,782,091.19	
LESS: Accumulated Depreciation		21,250,908.75	23,531,182.44
TOTAL ASSETS			\$ 32,060,971.14
EQUIPMENT ON LOAN FROM FEDERAL GOVERNMENT:			
Estimated Value		\$ 180,000.00	
LESS: Accumulated Depreciation		45,000.00	\$ 135,000.00
INVESTMENT IN EQUIPMENT:			
Balance 7/1/63		\$ 27,737,027.86	
Additional Ferry Equipment from SHC		395,000.00	
Depreciation charged on Equipment on loan		45,000.00	
Net Profit on Sales of Equipment	\$ 460,890.70		
Net Profit on Sales of Gas & Oil (Inventory Adjustment)	291,321.85		
NET PROFIT ON EQUIPMENT RENTALS:			
Equipment Rentals	\$ 22,029,564.67		
Direct Expense to Equipment	16,709,925.34		
Net Profit Rentals	\$ 5,319,639.33		
Expenditures of Equipment Department (Net)	2,322,908.60	2,996,730.73	
Net Profit from Operations		\$ 3,748,943.28	
INVESTMENT IN EQUIPMENT JUNE 30, 1964			\$ 31,925,971.14
TOTAL INVESTMENT IN EQUIPMENT AND EQUIPMENT ON LOAN			\$ 32,060,971.14

SOURCE AND DISPOSITION OF FUNDS
FISCAL YEAR ENDED JUNE 30, 1964

EXHIBIT "D"

	Total	Current Fund	Debt Service Fund
SOURCE OF FUNDS:			
1 SURPLUS AND RESERVES BROUGHT FORWARD FROM PRIOR YEAR:			
Unappropriated Surplus.....	\$ 3,563,501.08	\$ 3,563,501.08	\$ -0-
Federal Participation.....	73,528,094.59	73,528,094.59	
State Funds to Match Federal.....	19,024,344.64	19,024,344.64	
State Aid to Municipalities.....	142,835.06	142,835.06	
Capital Improvements.....	546,811.31	546,811.31	
Additional Salary Requirements.....	114,839.00	114,839.00	
Appropriations in Excess of Revenues.....	1,430,594.00	1,430,594.00	
Cities and Towns.....	340,673.00	340,673.00	
Debt Service.....	23,412,271.61		\$ 23,412,271.61
	\$122,103,964.29	\$ 98,691,692.68	\$ 23,412,271.61
UNEXPENDED ALLOTMENTS BROUGHT FORWARD FROM PRIOR YEAR:			
Primary.....	\$ 3,979,058.64	\$ 3,979,058.64	
Secondary.....	7,725,451.84	7,725,451.84	
Urban.....	3,282,956.03	3,282,956.03	
Public Service Roads.....	737,094.26	737,094.26	
Federal Aid.....	54,345,359.34	54,345,359.34	
Capital Improvements.....	92,580.87	92,580.87	
State Aid to Municipalities.....	47,888.58	47,888.58	
	\$ 70,210,389.56	\$ 70,210,389.56	
STATE REVENUE COLLECTIONS:			
Current Fund.....	\$148,077,215.18	\$148,077,215.18	
Debt Service Fund.....	17,534,903.64		\$ 17,534,903.64
	\$165,612,118.82	\$148,077,215.18	\$ 17,534,903.64
PARTICIPATION REVENUE:			
Federal Aid.....	\$ 45,877,705.99	\$ 45,877,705.99	
Property Owners.....	2,813,178.40	2,813,178.40	
Cities and Towns.....	614,490.00	614,490.00	
	\$ 49,305,374.39	\$ 49,305,374.39	
DEPARTMENTAL RECEIPTS:			
Department of Motor Vehicles.....	\$ 3,251,201.52	\$ 3,251,201.52	
Highway Commission.....	668,705.28	668,705.28	
	\$ 3,919,906.80	\$ 3,919,906.80	
TOTAL FUNDS AVAILABLE.....	\$411,151,753.86	\$370,204,578.61	\$ 40,947,175.25

EXHIBIT "D" (Continued)

	Total	Current Fund	Debt Service Fund
DISPOSITION OF FUNDS:			
EXPENDITURES:			
General Administration	\$ 1,825,310.95	\$ 1,825,310.95	
Engineering Administration	5,155,315.42	5,155,315.42	
Contribution to Retirement System	3,030,823.61	3,030,823.61	
STATE MAINTENANCE AND CONSTRUCTION:			
Primary	21,786,934.41	21,786,934.41	
Secondary	57,569,637.29	57,569,637.29	
Urban	3,358,020.61	3,358,020.61	
Public Service Roads	1,087,417.72	1,087,417.72	
Federal Aid	77,261,747.74	77,261,747.74	
Capital Improvements	1,525,581.18	1,525,581.18	
State Aid to Municipalities	8,075,652.53	8,075,652.53	
Debt Service Retirements	12,355,187.50		\$ 12,355,187.50
	\$193,031,628.96	\$180,676,441.46	12,355,187.50
NON-HIGHWAY DEPARTMENTS:			
Motor Vehicle	\$ 14,378,986.96	\$ 14,378,986.96	
Utilities Commission	156,491.71	156,491.71	
Agriculture Department	329,924.00	329,924.00	
	\$ 14,865,402.67	\$ 14,865,402.67	
TOTAL EXPENDITURES	\$207,897,031.63	\$195,541,844.13	\$ 12,355,187.50
UNEXPENDED ENCUMBRANCE ALLOTMENTS CARRIED FORWARD TO 1964-65:			
Primary	\$ 6,301,223.23	\$ 6,301,223.23	
Secondary	12,726,954.69	12,726,954.69	
Urban	3,954,838.37	3,954,838.37	
Public Service Roads	956,725.37	956,725.37	
Capital Improvement	863,314.03	863,314.03	
Federal Aid	68,586,046.29	68,586,046.29	
State Aid to Municipalities	50,468.05	50,468.05	
	\$ 93,439,570.03	\$ 93,439,570.03	
RESERVE FUNDS CARRIED FORWARD 1964-65:			
Federal Participation	\$ 62,371,377.58	\$ 62,371,377.58	
State Funds to Match Federal	12,061,713.51	12,061,713.51	
Additional Salary	334,248.00	334,248.00	
State Aid to Municipalities	70,968.12	70,968.12	
Capital Improvements 1961-63	12,584.27	12,584.27	
Contingencies	175,543.00	175,543.00	
Debt Service	28,591,987.75		\$ 28,591,987.75
Capital Improvements 1963-65	1,515,932.70	1,515,932.70	
Unappropriated Surplus	\$ 4,738,009.10	\$ 4,738,009.10	
Prior Years Surplus Adjustment	57,211.83*	57,211.83*	
	\$109,815,152.20	\$ 81,223,164.45	\$ 28,591,987.75
TOTAL DISPOSITION OF FUNDS	\$411,151,753.86	\$370,204,578.61	\$ 40,947,175.25

*Indicates Red Figures.

STATEMENT OF REVENUE
FISCAL YEAR ENDED JUNE 30, 1964

EXHIBIT "E"

	Actual	Estimated	Actual Over-Under* Estimated	Actual Last Year	Increase Decrease*
CURRENT FUND:					
Automobile License.....	\$ 15,410,043.04	\$ 15,090,000.00	\$ 320,043.04	\$ 14,684,213.17	\$ 725,829.87
Truck License.....	14,503,894.98	14,085,000.00	418,894.98	13,670,098.44	833,796.54
For Hire License.....	1,947,323.29	1,800,000.00	147,323.29	1,835,714.70	111,608.59
Motorcycle License.....	30,999.86	26,000.00	4,999.86	25,963.51	5,036.35
Bus and Franchise License.....	6,392,010.96	5,735,000.00	657,010.96	6,158,426.11	233,584.85
Gasoline Tax at .06 Cent.....	99,891,384.75	99,225,000.00	666,384.75	97,124,016.66	2,767,368.09
Gasoline Tax Refunded to Highway.....	1,121,089.46	720,000.00	401,089.46	965,076.30	155,993.16
Title Fees.....	1,665,171.23	1,156,000.00	509,171.23	1,443,470.25	221,700.98
Penalties.....	713,037.67	635,000.00	78,037.67	621,442.87	91,594.80
Gasoline Usage Registration.....	125,876.48	110,000.00	15,876.48	121,692.27	4,184.21
Certificate Fees.....	1,479.10	—	1,479.10	9,914.18	8,435.08*
Interest on Drafts.....	12,756.50	—	12,756.50	11,600.35	1,156.15
Gasoline Inspection Fees.....	4,292,690.89	4,490,000.00	197,309.11*	—	4,292,690.89
TOTAL MOTOR VEHICLE REVENUE.....	\$146,107,738.21	\$143,072,000.00	\$ 3,035,738.21	\$136,671,628.81	\$ 9,436,109.40
OTHER INCOME:					
Interest on Funds Invested by State Treasurer.....	\$ 1,968,852.60	\$ 1,900,000.00	\$ 68,852.60	\$ 1,733,738.33	\$ 235,114.27
Miscellaneous.....	624.37	27,000.00	26,375.63*	1,223.93	599.56*
TOTAL STATE REVENUE.....	\$ 1,969,476.97	\$ 1,927,000.00	\$ 42,476.97	\$ 1,734,962.26	\$ 234,514.71
TOTAL STATE REVENUE.....	\$148,077,215.18	\$144,999,000.00	\$ 3,078,215.18	\$138,406,591.07	\$ 9,670,624.11
PARTICIPATION REVENUE:					
FEDERAL AID PARTICIPATION:					
Federal Aid Primary.....	\$ 9,332,734.65	\$ 9,332,734.65	\$ —	\$ 9,930,532.00	\$ 597,797.35*

STATE HIGHWAY COMMISSION

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Federal Aid Secondary.....	8,362,064.49	8,362,064.49		8,886,438.00	524,373.51*
Federal Aid Urban.....	2,932,242.31	2,932,242.31		3,110,862.00	178,619.69*
Federal Aid Interstate.....	20,535,791.36	20,535,791.36		21,196,431.55	660,640.19*
Federal Aid Defense Access.....	-0-				
Federal Aid Forestry.....	203,316.00	203,316.00		182,984.00	20,332.00
Federal Aid Accelerated Work Program.....				410,000.00	410,000.00*
Public Land Funds.....	1,400,000.00	1,400,000.00			1,400,000.00
Federal Aid H. P. S. and H. P. R.....	3,111,557.18	3,111,557.18			3,111,557.18
Federal Aid Emergency Relief.....				237,080.00	237,800.00*
TOTAL FEDERAL AID PARTICIPATION.....	\$ 45,877,705.99	\$ 45,877,705.99	\$ -0-	\$ 43,955,047.55	\$ 1,922,658.44
PROPERTY OWNERS PARTICIPATION:					
Primary System.....	\$ 39,534.27	\$ 39,534.27	\$ -0-	\$ 1,161.79	\$ 38,372.48
Secondary System.....	900,166.80	900,166.80		462,088.56	438,078.24
Public Service Roads.....	7,577.00	7,577.00			7,577.00
Federal Aid Construction.....	1,865,900.33	1,865,900.33		412,468.19	1,453,432.14
	\$ 2,813,178.40	\$ 2,813,178.40	\$ -0-	\$ 875,718.54	\$ 1,937,459.86
PARTICIPATION CITIES AND TOWNS:					
Primary System.....	\$ 82,000.17	\$ 82,000.17	\$ -0-	\$ 63,340.70	\$ 18,659.47
Secondary System.....	30,544.34	30,544.34		65,000.00	34,455.66*
Urban System.....	16,250.00	16,250.00		19,581.70	3,331.70*
Public Service Roads.....	2,359.35*	2,359.35*			2,359.35*
Federal Aid H. P. S. and H. P. R.....	66,867.16	66,867.16			66,867.16
Federal Aid Construction.....	421,187.68	421,187.68		1,176,162.92	751,975.24*
	\$ 614,490.00	\$ 614,490.00	\$ -0-	\$ 1,324,085.32	\$ 709,595.32*
TOTAL CURRENT FUND REVENUE.....	\$197,382,389.57	\$194,304,374.39	\$ 3,078,215.18	\$184,561,442.48	\$ 12,821,147.09
DEBT SERVICE FUND REVENUE.....	\$ 17,534,903.64	\$ 17,430,000.00	\$ 104,903.64	\$ 16,800,102.70	\$ 734,800.94
TOTAL REVENUE.....	\$214,917,493.21	\$211,734,374.39	\$ 3,183,118.82	\$201,361,545.18	\$ 13,555,948.03

*Indicates Red Figures

**STATEMENT OF APPROPRIATIONS, APPORTIONMENTS,
FISCAL YEAR ENDED JUNE 30, 1964**

	Unexpended Allotments 7-1-63	Appropriations Apportionments Participations	Allotments
CURRENT FUND:			
CURRENT ACCOUNTS:			
Non-Highway Departments:			
Department of Motor Vehicles	\$ -0-	\$ 11,778,150.00	\$ 11,127,785.44
Utilities Commission		160,609.00	156,491.71
Department of Agriculture		334,865.00	329,924.00
Highway Commission:			
General Administration		2,020,867.00	1,810,761.98
Engineering Administration		5,440,045.00	5,144,000.19
Legislative Salary Increases		57,604.00	
Employers Con't. Retirement Sys.		3,086,290.00	3,030,823.61
Merit Salary Increments		111,059.00	
Legislative Salary Adjustments		191,439.00	
Reserve for Contingencies		68,928.00	
	\$ -0-	\$ 23,249,856.00	\$ 21,599,786.93
ENCUMBRANCE ACCOUNTS:			
STATE MAINTENANCE AND CONSTRUCTION:			
PRIMARY SYSTEM:			
Appropriation	\$ 3,979,058.64	\$ 23,876,251.32	\$ 23,876,251.32
Cities—Towns Participation		82,000.17	82,000.17
Property Owners Participation		39,534.27	39,534.27
Expenditures			
	\$ 3,979,058.64	\$ 23,997,785.76	\$ 23,997,785.76
SECONDARY SYSTEM:			
Appropriation	\$ 7,725,451.84	\$ 61,146,114.20	\$ 61,146,114.20
Cities & Towns Participation		30,544.34	30,544.34
Property Owners Participation		900,166.80	900,166.80
Expenditures			
	\$ 7,725,451.84	\$ 62,076,825.34	\$ 62,076,825.34
URBAN SYSTEM:			
Appropriation	\$ 3,282,956.03	\$ 3,983,459.00	\$ 3,983,459.00
Cities & Towns Participation		16,250.00	16,250.00
Expenditures			
	\$ 3,282,956.03	\$ 3,999,709.00	\$ 3,999,709.00
PUBLIC SERVICE ROADS:			
Appropriations	\$ 737,094.26	\$ 1,298,000.00	\$ 1,298,000.00
Cities & Towns Participation		2,359.35*	2,359.35*
Property Owners Participation		7,577.00	7,577.00
Expenditures			
	\$ 737,094.26	\$ 1,303,217.65	\$ 1,303,217.65
CAPITAL IMPROVEMENTS:			
Appropriations	\$ 92,580.87	\$ 3,823,011.31	\$ 2,294,494.34
Expenditures			
	\$ 92,580.87	\$ 3,823,011.31	\$ 2,294,494.34

ALLOTMENTS AND EXPENDITURES

EXHIBIT "F"

Expenditures			Unallotted Appropriations	Unexpended Appropriations	Unexpended Allotment
Gross	Receipts	Net			
\$ 14,378,986.96	\$ 3,251,201.52	\$ 11,127,785.44	\$ 650,364.56	\$ 650,364.56	-0-
156,491.71		156,491.71	4,117.29	4,117.29	
329,924.00		329,924.00	4,941.00	4,941.00	
1,825,310.95	14,548.97	1,810,761.98	210,105.02	210,105.02	
5,155,315.42	11,315.23	5,144,000.19	296,044.81	296,044.81	
			57,604.00	57,604.00	
3,030,823.61		3,030,823.61	55,466.39	55,466.39	
			111,059.00	111,059.00	
			191,439.00	191,439.00	
			68,928.00	68,928.00	
\$ 24,876,852.65	\$ 3,277,065.72	\$ 21,599,786.93	\$ 1,650,069.07	\$ 1,650,069.07	\$ -0-
\$ 21,786,934.41	\$ 111,313.24	\$ 21,675,621.17			
\$ 21,786,934.41	\$ 111,313.24	\$ 21,675,621.17		\$ 6,301,223.23	\$ 6,301,223.23
57,569,637.29	494,314.80	57,075,322.49			
\$ 57,569,637.29	\$ 494,314.80	\$ 57,075,322.49	\$ -	\$ 12,726,954.69	\$ 12,726,954.69
\$ 3,358,020.61	\$ 30,193.95	\$ 3,327,826.66			
\$ 3,358,020.61	\$ 30,193.95	\$ 3,327,826.66		\$ 3,954,838.37	\$ 3,954,838.37
\$ 1,087,417.72	\$ 3,831.18	\$ 1,083,586.54			
\$ 1,087,417.72	\$ 3,831.18	\$ 1,083,586.54	\$ -0-	\$ 956,725.37	\$ 956,725.37
\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-	\$ -0-
1,525,581.18	1,820.00	1,523,761.18			
\$ 1,525,581.18	\$ 1,820.00	\$ 1,523,761.18	\$ 1,528,516.97	\$ 2,391,831.00	\$ 863,314.03

	Unexpended Allotments 7-1-63	Appropriations Apportionments Participations	Allotments
FEDERAL AID CONSTRUCTION			
H. P. S. AND H. P. R.:			
State Matching Funds.....	\$ 54,345,359.34	\$ 42,876,775.32	\$ 30,698,815.19
Cities & Towns Participation.....		761,860.68	761,860.68
Property Owners Participation.....		1,865,900.33	1,865,900.33
Primary.....		22,175,261.72	15,613,842.00
Secondary.....		23,514,136.00	15,685,873.00
Urban.....		7,350,785.00	2,179,560.00
Interstate.....		61,031,092.68	21,617,265.00
H. P. S. and H. P. R.....		4,633,578.14	3,047,243.58
Forestry.....		753,328.00	343.00*
Emergency Relief.....		71,440.00	31,050.00
Public Lands Fund.....		1,400,000.00	
Expenditures.....			
	\$ 54,345,359.34	\$166,434,157.87	\$ 91,501,066.78
STATE AID TO MUNICIPALITIES.....	\$ 47,888.58	\$ 8,093,668.06	\$ 8,078,232.00
TOTAL CURRENT FUND (EXHIBIT "A").....	\$ 70,210,389.56	\$292,978,230.99	\$214,851,117.80
DEBT SERVICE FUND:			
Bond Principal.....		\$ 11,050,000.00	\$ 11,050,000.00
Bond Interest.....		1,305,188.00	1,305,187.50
		\$ 12,355,188.00	\$ 12,355,187.50
GRAND TOTAL.....	\$ 70,210,389.56	\$305,333,418.99	\$227,206,305.30

Indicates Red Figure.

EXHIBIT "F" (Continued)

Expenditures			Unallotted Appropriations	Unexpended Appropriations	Unexpended Allotment
Gross	Receipts	Net			
\$ -0-	\$ -0-	\$ -0-	\$ 12,177,960.13	\$ -0-	\$ -0-
			6,561,419.72		
			7,828,263.00		
			5,171,225.00		
			39,413,827.68		
			1,586,334.56		
			753,671.00		
			40,390.00		
			1,400,000.00		
\$ 77,261,747.74	\$ 1,367.91	\$ 77,260,379.83			
\$ 77,261,747.74	\$ 1,367.91	\$ 77,260,379.83	\$ 74,933,091.09	\$143,519,137.38	\$ 68,586,046.29
\$ 8,075,652.53	\$ -0-	\$ 8,075,652.53	\$ 15,436.06	\$ 65,904.11	\$ 50,468.05
\$ 195,541,844.13	\$ 3,919,906.80	\$191,621,937.33	\$ 78,127,113.19	\$171,566,683.22	\$ 93,439,570.03
\$ 11,050,000.00	\$ -0-	\$ 11,050,000.00	\$ -0-	\$ -0-	\$ -0-
1,305,187.50		1,305,187.50	.50	.50	
\$ 12,355,187.50	\$ -0-	\$ 12,355,187.50	.50	.50	
\$ 207,897,031.63	\$ 3,919,906.80	\$203,977,124.83	\$ 78,127,113.69	\$171,566,683.22	\$ 93,439,570.03
			\$ 1,650,069.07	Current Encumbered	
			76,477,044.62		
			\$ 78,127,113.69		

**STATEMENT OF BONDED INDEBTEDNESS AND
DEBT SERVICE REQUIREMENTS**

AUTHORIZED BY CHAPTER 1250 SESSION LAWS 1949
AS OF JUNE 30, 1964

EXHIBIT "G"

CASH ON HAND JULY 1, 1963		\$ 23,412,271.61
Revenue Collections 1963-64		17,534,903.64
TOTAL AVAILABLE		\$ 40,947,175.25
MATURITIES 1963-64:		
Principal	\$ 11,050,000.00	
Interest	1,305,187.50	12,355,187.50
CASH ON JUNE 30, 1964		\$ 28,591,987.75

	Bond Retired		Interest Paid Current Year	Bonds Outstanding 6-30-64
	At June 30, 1963	Current Year		
1950-51	\$ 6,000,000.00	\$ -0-	\$ -0-	\$ -0-
1951-52	6,100,000.00			
1952-53	5,500,000.00			
1953-54	9,400,000.00			
1954-55	9,550,000.00			
1955-56	9,700,000.00			
1956-57	9,850,000.00			
1957-58	10,000,000.00			
1958-59	10,200,000.00			
1959-60	10,350,000.00			
1960-61	10,500,000.00			
1961-62	10,700,000.00			
1962-63	10,850,000.00			
1963-64		\$ 11,050,000.00	\$ 1,305,187.50	
1964-65				\$ 11,250,000.00
1965-66				11,400,000.00
1966-67				11,600,000.00
1967-68				11,800,000.00
1969-70				12,000,000.00
1970-71				12,200,000.00
	\$118,700,000.00	\$ 11,050,000.00	\$ 1,305,187.50	\$ 70,250,000.00

APPENDIX "C"

APPENDIX "C"

HIGHWAY CONSTRUCTION—FEDERAL-AID PROJECTS LET TO CONTRACT, JULY 1, 1962 THRU JUNE 30, 1964

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
US 301	Additional Lane Rocky Mount Bypass.....	Nash	8.860	1,454,253.41
NC 27	Resurfacing from Pee Dee River Bridge East to Norfolk-Southern RR.....	Montgomery	8.125	203,449.60
US 52	Resurfacing from Mt. Airy to Virginia State Line.....	Surry	2.730	210,309.50
US 321	Improvement in vicinity of Watauga River.....	Watauga	1.610	378,832.12
US 64	Widening Bridge over Catthy's Creek between Brevard and Rosman.....	Transylvania	0.021	32,313.57
US 1	Fencing from NC 55 of Apex to Raleigh.....	Wake	12.623	96,512.35
SR 1102	New Bridge over Southern RR and approaches between SR 1107 and US 70 Bypass.....	Burke	0.654	81,634.65
	Bridge over Raleigh Beltline on Glen Eden Drive.....	Wake	0.040	87,477.17
US 29	Channelization & Median improvements from Buffalo Creek to Salisbury Bypass.....	Cabarrus-		
NC 51	Bridge and approaches over McAlpine Creek between Pineville & Matthews.....	Rowan	11.788	609,978.00
SR 1630	Widening and Resurfacing from SR 1616 to US 158.....	Mecklenburg	0.181	55,121.77
L-40	Clearing between Fines Creek and Cove Creek.....	Davie	3.588	193,203.25
SR 1607	Improvement from SR 1620 to Juno.....	Haywood	5.993	60,500.00
US 158	Improvement of US 158 from Roanoke Rapids to Washington St.; improvement of Third Street from Sycamore St. to US 301.....	Buncombe	2.886	147,009.56
L-85	Landscaping on I-85 from US 70 to US 15.....	Halifax	2.734	597,200.38
NC 49	Relocation of NC 49 and culvert of Rocky River, East of Liberty Bridge over Big Buffalo Creek between SR 1402 and SR 1403.....	Durham	5.201	4,198.45
SR 1625-		Randolph	0.359	44,225.98
SR 1318	Bridge and approaches over Governors Creek on SR 1625 & SR 1318.....	Alamance	—	24,244.85
SR 1184	Culvert at Frog Creek on SR 1184 between SR 1193 and Bolling Springs.....	Lee	—	—
SR 1116	Improvement from SR 1147 to one mile north of Robbinsville.....	Moore-Lee	0.492	77,181.08
US 17	Improvement from US 264 to a point near the Pamlico River.....	Cleveland	—	15,497.58
SR 124	Bridge over Tar River on SR 1243 between NC 97 and SR 1251.....	Graham	3.328	228,551.00
US 70	Bridge over Newport River on US 70 between Morehead City and Beaufort.....	Beaufort	2.797	409,138.20
		Edgecombe	—	49,634.92
		Currier	—	1,493,218.80

US 401	Widening & Resurfacing in Fayetteville from Rowan St. to Methodist College.	Cumberland	5.216	786,691.95
US 421	Improvement from NC 132 to Shipyard Road at Wilmington.	New Hanover	4.600	763,841.06
SR 1547	Bridge and approaches over Uwharrie River on SR 1547 S. of Archdale.	Randolph	0.910	68,455.24
NC 742	Bridge over Rocky River and approaches at the Union-Stanly Line.	Stanly-Union	0.320	150,639.81
US 52	Improvement of North-South Expressway in Winston-Salem from 3rd St. to Northwest Boulevard.	Forsyth	0.985	1,781,383.35
I-77	Grading & Structures on I-77 from Yadkin River to US 21.	Yadkin	3.980	961,031.94
US 70, 19 & 23	Lighting for Asheville Expressway including Beautacher Tunnel.	Buncombe	2.060	124,000.00
I-40	Grading, Boring & Lining Tunnels & Culverts on I-40 from 4 mi S. E. of Tenn. Line to 1.9 mi. S. E. Waterville Dam.	Haywood	4.670	6,870,501.92
US 23	Constructing Climbing Lanes on US 23 from Tenn. State Line toward Mars Hill.	Madison	6.226	663,609.40
SR 1505,	Grading and Paving from 3.7 miles east of Andrews to Macon Co. Line thence along SR 1401 to	Cherokee-	9.720	692,097.82
SR 1401	SR 1310 near Aquane.	Macon		
		Halifax-		
I-95	Fencing from US 158 to Virginia State Line.	Northampton	8.620	39,193.40
US 17	Widening & Resurfacing from SR 1305 to SR 1345.	Pasquotank	4.733	891,567.89
SR 1126	Improvement from City Limit of Roper to SR 1149.	Washington	9.687	394,782.60
NC 87	Widening & Resurfacing from Fort Bragg Reservation to Rowan St., Fayetteville.	Cumberland	5.943	784,618.05
SR 2030	Bridge over Crabtree Creek, Raleigh.	Wake	—	127,681.20
US 64	Relocation from Apex to US 1.	Wake	3.590	806,483.40
US 64	Additional Lanes resurfacing existing lanes from Neuse River to SR 2236.	Wake	6.020	1,177,242.98
US 29	Fencing from Greensboro to Rockingham County Line.	Guilford	11.180	15,825.60
NC 49	Ramp Connection at intersection of NC 49 & NC 73 W. of Mt. Pleasant.	Cabarrus	0.240	47,647.40
US 29 & 74	Widening & Resurfacing on Wilkinson Blvd. from Catawba River Br. to Charlotte.	Mecklenburg	5.350	1,321,267.00
US 52	Improvement of N-S Expressway in Winston-Salem from Northwest Blvd. to Peden St.	Forsyth	2.134	2,634,808.97
US 52	Improvement from Stokes Co. Line to State Proj. 8.17383.	Forsyth	6.607	1,419,752.95
US 52	Improvement from State Proj. 8.17383 to City Limits of Winston-Salem.	Forsyth	4.291	1,134,515.75
I-26	Grading & Structures from East Flat Rock to US 29.	Henderson	11.603	3,158,110.21
SR 1001	Improvement from Silas Creek Parkway to Winston-Salem City Limit.	Forsyth	3.472	422,734.20
	Underpass and Approaches at Southern RR on W. 20th Street, Newton.	Catawba	0.177	153,642.75
		Cherokee-		
		Graham-Macon	0.051	72,342.48
US 129	Bridge and Approaches over Southern RR.	Beaufort-	23.400	271,003.90
US 264	Resurfacing from SR 1345 to E. of Pantego City Limits.	Pitt		
NC 33	Resurfacing from NC 30 to Berry Avenue in Washington.	Halifax-		
NC 11	Resurfacing from Edgecombe Co. Line South toward Bethel.	Halifax-		
I-95	Signing from US 158 to Virginia State Line.	Northampton	8.620	48,433.74
		Pamlico	0.267	108,279.90
SR 1302	Bridge over Dawson Creek and approaches on SR 1302 at Janerio.	Robeson	9.878	43,997.55
I-95	Signing from Approx. 1.5 Mi. N. of Lumberton to NC 20.			

Appendix "C" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
NC 64	Resurfacing Carboro Bypass.....	Orange	2.970	190,837.30
SR 1136	Brg. g2 over Stinking Quarter Creek on SR 1136.....	Alamance	—	35,645.40
US 29	Signing from Greensboro to Rockingham Co. Line.....	Guilford	11.180	39,114.25
US 29 &				
NC 14	Resurfacing 6 sections of Primary & Secondary in and near Leaksville, Spray, Reidsville.....	Rockingham	22.250	455,598.00
I-40	Fencing from US 158 to NC 66.....	Forsyth	7.660	12,505.00
I-40	Signing from US 158 to NC 66.....	Forsyth	7.660	34,572.49
	Improvement of Siles Creek Parkway in Winston Salem from Reynolds Rd. to Stratford Road.....	Forsyth	3.780	1,223,774.10
	Widening & Resurfacing Dekalb St. in Shelby from Pinky St. to Gidney St. and Relocation from Gidney St. to N. end of Farris St.....	Cleveland	1.153	209,287.71
US 64	Resurfacing US 64 from Brevard to NC 280 & Streets in Brevard.....	Transylvania	6.750	154,276.50
SR 1326	Improvement upper Lamine Creek to North Fork of French Broad River.....	Transylvania	2.020	107,321.70
SR 1243	Improvement from Grand Ave. in Rocky Mt. to NC 97.....	Edgecombe	1.850	298,961.23
SR 2308	Improvement from NC 22 to SR 1006.....	Chatham	5.350	211,865.03
SR 1432	Bridge over Dan River.....	Stokes	—	41,185.06
SR 1150	Relocation of Middle Little River.....	Alexander	—	46,903.96
SR 2283	Relocation of SR 2283 and Culvert at Dixon Branch.....	Cleveland	0.530	52,689.12
I-95	Fencing from NC 50 to Kenly.....	Johnston	27.481	117,037.00
US 15, 1, 501	Improvement from Sanford Bypass north to junction of US 1-15-501.....	Lee	2.219	296,646.93
I-85	Construction of Raleigh Beldline from US 1 to US 64.....	Wake	2.264	1,515,921.97
US 74	Surfacing on I-85 Bypass of Gastonia from US 29 to US 321.....	Gaston	8.033	1,698,887.75
	Improvement of Shelby Bypass.....	Cleveland	4.182	1,250,288.55
SR 1556	Bridge crossing Yadkin River at Ronda from SR 2303 to NC 268.....	Wilkes	0.592	221,853.28
US 64	Resurfacing from SR 1557 to US 19-129.....	Cherokee	9.130	130,485.00
	Resurfacing from SR 1552 to SR 1531.....	Cherokee	3.650	59,150.34
I-40	Fencing & Guardrail, Canton Bypass.....	Haywood	—	—
NC 28	Resurfacing from US 19 to Macon County Line.....	Buncombe	11.957	118,050.25
SR 1003	Improvement of Reems Creek Road from US 19-23 to SR 2114.....	Swain	7.200	157,019.00
US 13 & 64	Additional Lane & Resurfacing on Williamston Bypass.....	Buncombe	6.800	457,266.65
NC 11	Improvement from US 117 to just S. of NC 41 at Tin City.....	Martin	2.822	448,853.50
SR 1105	Bridge over Seppurong River.....	Duplin	1.576	70,939.61
		Tyrell	0.537	106,665.48

NC 87	Improvement from US 701 to Hammonds Creek.....	Bladen	7.619	655,290.78
SR 1005	Improvement of Old Wake Forest Road from N. & S. Railroad to Raleigh Beldline	Wake	1.403	325,751.50
US 220	Improvement from Beverly Hills Subdivision to SR 2030	Wake	2.515	399,082.50
L-85	Resurfacing of the Madison-Mayodan Bypass.....	Rockingham	5.994	821,509.30
L-85	Signing between Gastonia and NC 273.....	Gaston	7.336	54,337.13
SR 1502	Signing from NC 152 to Lexington.....	Rowan-Davidson	20.738	165,807.97
L-40	Improvement of Kemilworth Avenue, Charlotte	Mecklenburg	1.643	442,334.79
SR 1582-	Connector from US 52 west of Stanleyville to Old US 52.....	Forsyth	0.401	199,866.90
SR 1513	Bridge over Deep Creek.....	Yadkin	0.022	28,903.64
	Grading & Structures from Cold Springs Cr. to tunnel at Hurricane Creek.....	Haywood	1.563	1,707,212.68
US 70	Improvement between I-40 and Canton.....	Haywood	1.297	248,739.80
SR 2555	Improvement of Atlantic-Arlington St., Rocky Mount.....	Edgecombe	0.543	89,454.65
NC 16	Improvement in vicinity of Newport River, Beaufort & Morehead City.....	Carteret	1.479	625,330.35
US 52	Bridges and Approaches over Neuse River.....	Wake	0.606	120,769.77
SR 2705	Resurfacing from SR 1573 to Virginia State Line.....	Ashe	6.609	179,760.25
SR 1990	Signing from Pilot Mt. to Winston Salem.....	Surry, Stokes	24.248	60,923.25
US 64	Bridge over Fiddler Creek.....	Forsyth	—	32,035.68
US 19, 23	Improvement of Bridge and Approaches at Roaring River.....	Forsyth	1.039	151,465.67
441, & NC 107	Resurfacing from SR 1100 to SR 1531.....	Wilkes	10.203	201,138.40
US 158-A	Resurfacing 6 sections of Primary & 3 sections of Secondary Roads in vicinity of Dillsboro and Sylva.....	Jackson	14.212	266,512.06
SR 1968	Resurfacing between US 15 & US 158 (Oxford Bypass).....	Granville	4.855	144,993.88
SR 1809	Bridge over Big Creek.....	Stanly	0.038	47,211.68
US 421	Bridge improvement at First Broad River.....	Cleveland	0.549	121,456.15
NC 87	Relocation from Harrells.....	Sampson	1.882	252,738.13
	Improvement from Hammond to Carvers.....	Duplin-Bladen	13.171	579,454.58
US 401	Improvements, Lillington to NC 217.....	Harnett-	11.282	347,694.38
US 1	Signing from NC 55 to US 401 North of Raleigh.....	Cumberland	17.902	161,055.39
SR 1401	Bridge over Alamance Co.....	Wake	Structure	58,990.30
SR 1009	Relocation from I-85 to Hillsboro.....	Alamance	1.129	351,925.19
US 74	Grading & Structures on Laurinburg Bypass.....	Orange	8.488	2,334,723.56
US 25	Improvement to Green Street and Sterling St., Morganton.....	Scotland	0.096	48,532.50
	Grading & Structures from Zreonia to I-26.....	Burke	3.731	1,134,691.31
L-40	Signing Canton Bypass.....	Henderson	11.957	39,704.51
		Haywood-		
		Buncombe		

Appendix "C" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT* LENGTH (miles)	PROJECT* COST (dollars)
US 1	Fencing on Raleigh Beltline from US 70—US 1 North.	Wake	3.958	61,098.50
US 64	Widening Bridges over Crabtree Cr. and approaches near Raleigh.	Wake	0.198	93,695.99
US 221	Additional Lane & Resurfacing Existing Lane from SR 2205 to Neuse River.	Wake	2.454	690,380.47
SR 1006	Improvements from 1st St. (W. Jefferson) to NC 88 in Jefferson.	Ashe	1.773	341,839.33
SR 1710	Bridge & Approaches over Richardson Creek.	Union	0.231	65,808.02
L-77 & US 21	Bridge & Approaches over Richardson Creek.	Union	0.587	107,241.29
	Grading & Structures, Elkin Bypass.	Surry	4.153	714,151.94
L-26	Grading & Structures from Brickton to NC 280.	Henderson-		
US 701	Relocation from SR 1142 to US 701.	Buncombe	5.922	1,404,567.38
SR 1562	Bridge over Swift Creek.	Sampson	2.473	233,985.90
NC 57	Relocation of NC 57 NW of Roxboro in vicinity of N. Hyco Creek, Cabb Creek and S. Hyco Creek.	Johnston	Structure	32,269.86
SR 1401	Relocation SR 1311 from SR 1300 to NC 57.	Person	4.140	933,775.98
L-77	Relocation of Bridge over Eno River.	Durham-Orange	0.757	126,141.30
US 19 & 23	Paving from US 21 North of Statesville South to Amity Hill Road.	Iredell	8.659	3,106,625.64
SR 1342	Relocation from New Bridge to Weaverville.	Buncombe	7.355	2,316,222.60
SR 1315	Bridge over Little Fishing Creek on SR 1342, Bridge			
SR 1332	Over Little Fishing Creek on SR 1315, Bridge over Fishing Creek			
US 401	On SR 1332.			
L-95	Improvement, widening and resurfacing from SR 1105 to Robeson Street in Fayetteville.	Nash-Halifax	Structure	118,132.14
L-85	Lumberton By-Pass.	Cumberland	5.757	1,072,455.66
SR 1533	Improvement from Durham to Neuse River.	Robeson	7.841	1,489,344.62
US 1	Culvert & Approaches.	Durham	5.811	1,612,827.76
SR 2309	Additional lane from Sanford Bypass South to SR 1180.	Vance	0.571	50,205.95
NC 119	Bridge over Great Alamance Creek.	Lee	4.810	730,215.75
SR 1300	Bridge over Reedy Fork Creek & Approaches on NC 119 N. W. of Roxboro.	Alamance	Structure	65,858.76
	Bridge over S. Hyco Creek and Approaches on SR 1300 N. W. of Roxboro.			
SR 1562	Bridge over N. Hyco Creek and Approaches on SR 1562 N. W. of Roxboro.	Caswell-		
NC 6	Improvements to East Lee Street in Greensboro.	Person	1.155	352,915.85
		Guilford	1.793	339,884.18

SR 1148	Bridge over Little River.....	Richmon 1	Structure	61,256.76
SR 1134	Bridge and Approaches at Big Bear Creek.....	Stanly	0.570	96,840.73
NC 181	Improvements from SR 1248 E. to SR 1443 and Bridge over Catawba River.....	Burke	3.644	438,436.60
US 52-NC 66	Improvements on connector from US 52 (Relocated) to Old US 52 at Stanleyville.			
I-40	Improvements on old US 52 and NC 66 from Stanleyville South approx. 0.3 mi.....	Forsyth	1.189	182,885.38
SR 1419 &	Guard Rail from Buncombe-McDowell Co. Line East to Old Fort.....	McDowell	4.393	30,816.50
1314				
NC 125	Bridge and Approaches over French Broad River.....	Henderson	0.625	214,977.05
US 301	Widening and Resurfacing from NC 122 in Hamilton to Holgood.....	Martin-Halifax	13.482	873,172.47
US 17	Additional lane and Resurfacing Existing lane from Rocky Mount Bypass to Battleboro	Nash	4.093	725,121.40
US 701	Bridge over Perquimans River (Hertford Bypass)	Perquimans	0.549	735,703.12
	Improvement from Newton Grove North to I-95.....	Sampson-		
		Johnston	14.841	976,941.58
US 1	Improvement on S. 2nd Ave. (Siler City) from Cardinal St. to US 421	Chatham-Wake	0.544	144,047.21
	Surfacing, fencing and signing on US 1—Relocation from Merry Oaks to NC 55.....	Guilford	10.567	1,157,435.70
I-40	Reconstruction of shoulders from Kernersville to Greensboro.....	Forsyth	15.572	790,222.88
US 29 & 74	Improvement from I-85 connector at Gastonia to Catawba River.....	Gaston	7.747	2,174,561.14
I-85	Fencing Gastonia By-pass.....	Gaston	10.895	33,979.20
I-85	Signing, Gastonia By-pass.....	Gaston	10.895	97,755.78
SR 1415	Bridge over Lanes Creek.....	Anson		46,460.04
I-40 &				
SR 1101	Construction of interchange at SR 1101 (Harper Rd.).....	Forsyth	0.472	124,577.45
NC 226	Improvements from Spruce Pine to Bakersville.....	Mitchell	7.460	1,720,457.30
SR 1740	Improvements from Weaverville to SR 1727 (Monticello Road).....	Buncombe	1.663	146,028.85
US 220	Improvements on 16th Street and 17th Street, Wilmington.....	New Hanover	2.256	485,555.55
US 158	Surfacing on Asheboro By-Pass.....	Randolph	9.281	1,930,678.36
US 401	Widening and Resurfacing between Barco and Grandy.....	Currituck	11.121	410,740.90
	Underpass at A. C. L. RR and Approaches on US 401 (Ramsey St.) From Cumberland St. to the N. S. RR			
	in Fayetteville. Bridge over Blount Creek on Person St.—Fayetteville. Culvert at Cross Creek on Green			
US 64	St. N. of the Market House in Fayetteville.....			
	Relocation from end of Proj. 8.14877 to Wendell Bypass.....	Cumberland	0.522	713,426.59
	Underpass at Southern Railroad on E. Gaston St., Widening and Resurfacing Pearson St. and relocation of	Wake	2.381	769,605.00
	Market St. in Greensboro.....			
US 21	Improvements on W. Madison Avenue and Market Street, Greensboro.....	Guilford	1.189	557,288.64
US 19 & 23	Relocation from South Carolina State Line to Charlotte.....	Guilford	0.255	161,475.10
US 19 & 23	Grading, Waynesville Bypass.....	Mecklenburg	5.760	1,874,675.46
US 17	Structures, Waynesville Bypass.....	Haywood	9.230	1,797,158.75
	Improvement of Bridge Street, Washington.....	Haywood		741,255.33
		Beaufort	0.394	98,841.00

Appendix "C" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
US 264	Improvement between Farmville and Greenville	Pitt	9.506	682,086.28
NC 58	Improvement from NC 222 in Stantonburg to US 13	Wilson-Green	13.401	838,841.91
NC 98	Improvement on NC 98 from US 70 in Durham E. to SR 1847 at Oak Grove	Durham	3.072	455,632.90
US 601	Concord Bypass	Cabarrus	4.310	787,503.86
NC 181	Improvement from Steel Creek to SR 1248 (Oak Hill)	Burke	7.594	473,598.20
SR 1106 & SR 1533	Bridges and Approaches over Pigeon River	Haywood	0.228	129,410.87
SR 1395	Improvement from SR 1375 to SR 1318	Madison	4.857	595,147.25
US 701	Widening and Resurfacing Clinton to Keener	Samson	6.723	341,018.00
US 401	Additional lane and Resurfacing existing lane from Raleigh to Middle Creek	Wake	6.520	1,064,225.15
US 401	Moving Buildings from Raleigh to Middle Creek	Wake	6.520	25,600.00
SR 2315	Improvements from SR 1006 to SR 1009	Moore-Chatham	3.971	192,240.72
NC 163	Improvements from US 221 to SR 1159	Ashe	2.890	407,320.60
NC 18	Resurfacing 3 sections of NC 18 in and near Lenoir	Caldwell	6.072	131,995.91
NC 212	Improvement from White Rock towards Tennessee	Madison	6.902	699,669.72
SR 1111	Improvement from Beech Gap to Sunburst	Haywood	10.195	749,753.10
US 158	Bridge over Currituck Sound	Currituck-Dare	2.815	3,298,730.25
I-95	Grading, drainage, structures between NC 561 and US 58	Halifax	12.584	2,499,008.13
NC 11	Widening between Bethel and NC 125	Pitt-Edgecombe	12.348	558,629.02
US 21, I-77	Structures over Southern Railroad, Charlotte	Mecklenburg	—	482,499.79
I-40, I-26	Grading over Yadkin River at Elkin	Surry-Yadkin	—	254,516.40
SR 1415	Bridge and Str. on I-40 from Montevista Road to Hominy Creek and on I-26 from I-40 toward NC 191	Buncombe	3.744	3,825,609.65
	Bridge over Tuckasee River at Whittier	Jackson-Swain	0.148	104,292.74

*NOTE: Value of contract at the time of award to contractor. Does not include costs for rights-of-way, engineering, contingencies, etc.

APPENDIX "D"

APPENDIX "D"

HIGHWAY CONSTRUCTION—STATE PROJECTS LET TO CONTRACT, JULY 1, 1962 THRU JUNE 30, 1964

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
SR 1300	Improvement of Third Street in Washington from Bridge St. to Market St.	Beaufort	2.000	18,801.50
US 264	Improvement of US 264 in Belhaven.		8.890	57,035.30
SR 1925	Improvement of seven sections of Secondary Road in Lenoir-Green Counties.	Lenoir-Green		
SR 1777	Surfacing SR 1925 from SR 1725 to NC 102.			
SR 1775	Resurfacing from US 264 in Grimesland to NC 43.	Pitt	11.750	133,157.00
SR 1753	Resurfacing from US 264 in Grimesland to NC 43.		6.000	55,761.60
US 301	Resurfacing from US 264 in Grimesland to NC 43.	Halifax	16.100	75,892.70
US 301	Resurfacing from NC 561 to SR 1651.	Wilson	5.420	50,469.00
US 301	Resurfacing from Harnett Co. Line to SR 1007.	Wake	2.700	144,088.00
US 301	Resurfacing US 301 from Lucama to SR 1103.	Robeson	0.190	6,171.80
	Construction of Cary High School Loop Road from US 64 to SR 1313.	Lee	2.005	178,413.70
	Improvement of Clark Street in St. Pauls from Butler St. to Elizabeth St.		3.230	279,084.98
NC 205	Widening and Resurfacing Woodland Avenue in Sanford from Rock St. to Main St.	Stanly		
US 29	Improvement of Spring Lane from US 1 Bypass to Weatherspoon St. in Sanford.			
US 29	Improvement from NC 27 to Oakboro.	Mecklenburg	22.900	210,500.50
NC 115	Resurfacing from SR 2939 to Cabarrus County Line.		0.051	70,064.12
NC 51	Resurfacing from Mallard Creek Bridge North for 1 mile.	Cleveland		
SR 1509	Resurfacing from US 21 to Iredell County Line.			
	Resurfacing from NC 521 at Pineville, East 4,800 feet.	Buncombe	0.900	61,682.55
	Bridge over French Broad River between Polkville and Casar.		0.037	47,139.68
	Reconstruction Roads affected by Construction of Skylark Dam.	Pitt	0.227	5,825.50
	Connecting Road between SR 1318 and US 25.			
SR 1331	Connecting Road between SR 3 24 to SR 3495.	Wake	2.820	24,441.25
SR 1910	Bridge over Green River on SR 1331 between SR 1327 and Rutherford Co. Line			
	Improvement in Grifton.			
	Resurfacing Center Street in Apex			
	Resurfacing Academy Street in Cary			
	Resurfacing South Main Street and E. Academy St. in Fuquay Springs			
	Resurfacing Third Street, Main Street and Zebulon Road in Wendell			

US 74	Improvement in Lumberton from Fifth Street to NC 211.....			
SR 1149	New Structure on SR 1149 between NC 61 and I-85.....			29,251.60
SR 2711	New Bridge and Approaches over Haw River at Troxler's Mill.....	Robeson	0.860	45,351.00
SR 1553	Improvement from SR 1549 to NC 87.....	Alamance	0.035	65,920.80
	New Bridge and Approaches over Little River, on County Road Southeast of Troy.....	Guilford	0.378	65,630.25
US 1, 15, 501	Improvement of US 1 Sanford Bypass from Southern RR Overpass to McNeil Road.....	Chatham	2.950	142,368.06
SR 2132	Improvement from NC 49-A to SR 2128.....	Montgomery	0.743	77,669.75
SR 1121	New Bridge and Approaches over Little River on SR 1121 between SR 1118 and SR 1127.....	Lee	0.813	70,603.00
NC 73	Improvement from Three Mile Creek to Church Street.....	Randolph	2.445	41,120.80
US 601	Improvement from Wilshire Street to Concord Post Office.....		0.091	
NC 73	Improvement from US 601 to US 29.....			
US 29-A	Improvement from Railroad Underpass to Tucker Center.....	Cabarrus	4.250	76,057.50
US 21,				
NC 15, NC 49	Resurfacing Twelve Sections of Roads & Streets in and near Charlotte.....	Mecklenburg	10.060	149,252.22
	Widening and Resurfacing Sharon Road from Fairview Road to Wendover Road.....	Mecklenburg	1.895	258,891.47
SR 1341	Surfacing SR 1341 from SR 1001 to SR 1345.....			
SR 1356	Surfacing SR 1356 from US 601 to SR 1350.....			
SR 1301	Surfacing SR 1301 from SR 1322 to SR 1324.....	Surry	11.100	125,972.96
SR 1727	New Bridge and Approaches on SR 1727 over Ararat River, NE of Mt. Airy.....	Surry	0.511	71,318.77
NC 268	Widening and Resurfacing from NC 115 to NC 18.....	Wilkes	1.032	162,151.50
US 70	Resurfacing from 4-lane section to SR 1744.....	Burke	5.296	47,819.40
SR 1128	Improvement from US 64 to SR 1130.....	Macon	1.933	122,961.88
	Resurfacing nine sections of Secondary Roads.....	Catawba-Lenoir	13.660	114,658.50
NC 102	Resurfacing from Pitt County Line to US 17.....			
NC 102	Resurfacing from city limits of Ayden to SR 1753.....	Baufort & Pitt	11.700	61,063.25
NC 101	Surfacing & Resurfacing Eight Sections of Primary & Secondary Roads.....	Craven-Carteret	14.568	97,013.94
SR 1263	Improvement from SR 1262 S. E. to SR 1262.....			
SR 1271	Improvement from SR 1271 to NC 55.....	Craven	9.118	95,277.20
SR 1472	Improvement from SR 1422 to SR 1471.....			
SR 1341	Resurfacing from NC 11 to US 238.....			
NC 55	Resurfacing from NC 11 to SR 1152.....	Lenoir & Jones	20.300	81,840.00
US 258	Resurfacing from Onslow County Line to SR 1927.....	Pitt	—	31,652.24
SR 1218	Replacing Bridges 75 & 76 over Little Contentnea Cr.....	Duplin-Sampson	14.590	82,910.00
	Surfacing Eleven Sections of Secondary Roads.....			
US 301,				
NC 43, 44	Resurfacing Five Sections of Primary Roads.....	Edgecombe-Nash	30.800	128,658.05
NC 43	Resurfacing from Nash County Line to NC 561.....			
NC 125	Resurfacing from US 258 to NC 122.....			
NC 561	Resurfacing from Franklin County Line to US 301.....	Halifax	38.500	108,342.04

Appendix "D" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
NC 222	Resurfacing.....	Wilson-Johnston-		
US 1	Widening & Resurfacing in Raleigh between Bellline & Faircloth St.	Wayne	15.420	48,614.00
NC 130	Improvement in the town of Brunswick.....	Wake	0.967	50,449.15
US 76	Improvement in Fair Bluff from Conway Street to Hamer Street.....	Columbus	0.161	7,707.55
NC 24	Improvement in Steadman from Circle Drive to SR 1851.....	Columbus	0.397	14,253.20
		Cumberland	0.188	8,690.20
US 401,		Harnett-		
NC 87	Resurfacing Sections of US 401 & NC 87.....	Cumberland	20.800	83,335.32
NC 22	Improvement in Franklinville from Methodist Church to Academy St.	Randolph	0.152	12,063.25
NC 90, 18A	Widening & Resurfacing East Harper St. from Military St. to Norwood St. in Lenoir.....	Caldwell	0.186	21,657.30
NC 127	Widening & Resurfacing from SR 1404 to Hickory Lake Bridge.....	Catawba	3.760	122,618.00
SR 2309	Grading & Drainage from SR 1009 to SR 2303.....	Chatham	2.030	29,487.15
SR 1649	Bridge over Richardson Creek on SR 1649 between SR 1645 and SR 1627.....	Union	—	50,275.40
SR 1139	Bridge over Elks Creek on SR 1139 between Elks Park and Tenn. State Line.....	Avery	—	40,568.80
NC 18	Widening & Resurfacing in Morganton from College St. to I-40.....	Burke	1.790	205,561.04
NC 305	Bridge over Abokie Swamp on NC 305 between Aulander & Minton's Store.....	Hertford	—	47,688.86
US 158	Improvement in Murfreesboro from Second Street E. to Murfreesboro Town Limit.....	Hertford	1.200	132,806.12
SR 1409	Surfacing from Wharton to US 17.....	Beaufort	4.440	108,496.00
SR 1746	Improvement from NC 91 at Kinston, SE to beginning of curb & gutter.....	Lenoir	0.262	33,685.35
	Widening and Resurfacing of Church Street in Winterville.....	Pitt	0.420	47,374.90
SR 1002	Culvert on SR 1002 between Johnson St. and the Rocky Mount City Limit.....	Edgecombe, Nash	—	14,950.16
US 64	Culvert on US 64 between West Rocky Mount City Limit & New US 64.....	Wake	0.310	35,006.50
NC 96	Widening & Resurfacing in Zebulon from US 64 N. W. Approx. 0.306 mi.....	Robeson	—	30,400.00
I-95	Rest Area Building & Facilities on I-95 South of NC 20 near St. Pauls.....	Orange	0.373	61,775.75
US 15-501	Additional Lane on US 15-501 Bypass at Chapel Hill.....	Moore	0.052	14,352.75
	New Street in Aberdeen from old US 1 (Poplar Street) to US 1.....	Washington	8.000	66,759.75
NC 99	Resurfacing from Beaufort County Line to NC 32.....			
US 17,	Surfacing SR 1244 from US 70 to NC 55.....			
US 70,	Resurfacing US 70 from NC 55 to SR 1232.....			
SR 1244	Resurfacing US 17 from SR 1628 Southeast 0.25 mi.....			
	Surfacing Roadside Park on US 17, 0.4 mile N. W. of SR 1436.....	Craven	11.330	51,863.59

US 74 & US 76 US 421 US 1440 SR 1447 US 29 SR 1147	Drainage Improvement in Chadbourne..... Drainage Improvement in Broadway..... Improvement of SR 1447 in Robbins from NC 705 east approx. 200 ft. Improvement of SR 1447 in Robbins from NC 705 west approx. 235 ft. Resurfacing north bound lane, from Mecklenburg Co. Line to E. Liberty St. in China Grove. Retreatment of 56 sections of Secondary Roads in Union County..... Installation of storm sewer on Castle Street..... Resurfacing city streets in Norlina, Oxford, Warrenton and Henderson.....	Columbus Lee Moore Cabarrus-Rowan Union New Hanover Graulville- Warren-Vance	0.246 0.312 0.169 19.150 112.800 0.079 —	6,650.00 10,010.00 22,831.40 178,946.91 149,623.34 19,226.90 65,065.75
US 70-A & NC 54 I-95 SR 1402 US 301 NC 58 NC 59, 87 I-85 I-85	Resurfacing US 70-A from NC 49 at RR underpass W. of Haw River to NC 49 & US 70-A of Haw River; Improvement of Bridges over Haw River, Back Creek & Haw Creek on NC 54. Rest Area Buildings and Facilities on I-95, just S. of Virginia State Line. Improvements to New Bridge Street in Jacksonville, from Court St. to Warlick St. Surfacing 14 sections of Secondary Roads and Resurfacing 4 streets in Clinton, Moore Drive in Warsaw and SR 1135 in Garland..... Resurfacing between Enfield and Pender..... Resurfacing from US 264 to NC 222 in Stantonburg..... Resurfacing 4 sections of Secondary Road and 2 sections of Primary Road in Fayetteville..... Improvement on Clinton Avenue in Dunn..... Sewage Distribution Facilities for Existing Rest Area on I-85, East of Greensboro. Rest Areas, Buildings and Facilities on I-85, N. E. of China Grove.....	Alamance Northampton Onslow Sampson-Duplin Halifax Wilson Cumberland Harnett Guilford Rowan	1.046 — 0.314 20.900 9.640 7.710 6.520 0.360 — —	13,120.00 20,300.83 49,048.30 119,364.16 89,257.14 55,198.80 88,797.84 16,187.80 7,975.33 49,895.00
US 21 & NC 16 NC 343 US 17 & 158 US 264	Resurfacing 3 sections of Primary & 3 sections of Secondary Roads in Mecklenburg and Iredell Counties..... Resurfacing 5 sections of Primary Roads Resurfacing 3rd Street in Washington from Market Street to Harvey Street Widening & Surfacing US 264 in Chocowinity from US 17 to SR 1175..... Surfacing six sections of Secondary Roads..... Widening & Resurfacing in Garner between Perdue St. & Cedar Lane..... Resurfacing from Cape Fear River Bridge to SR 1835 in Vander..... Drainage & curb & gutter improvement on Second Ave. & Roberts St. in Red Springs..... Drainage & curb & gutter improvement from SR 1915 to Broad St. in St. Pauls..... Widening & Resurfacing a portion of Braeg St. in Sanford..... Resurfacing from US 321-A in Whinnel, to Burke County Line, Resurfacing in Lenoir..... Resurfacing West Main Street in Elkin.....	Mecklenburg- Iredell Camden-Gates- Pasquotank Beaufort Onslow Wake Cumberland Robeson Robeson Caldwell-Surry	11.860 43.500 0.530 8.080 0.458 3.800 0.721 0.300 0.651 10.680	160,745.25 197,030.80 34,377.35 42,236.73 41,939.30 106,224.80 37,945.00 14,451.00 94,105.25 59,071.24

Appendix "D" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
SR 2130	Three Bridges on SR 2130 between SR 2129 & SR 1934 near Micro	Johnson	—	80,658.74
US 64	Widening New Bern Ave. in Raleigh from Poole Road to Bertie Drive	Wake	0.389	69,454.10
NC 41	Drainage, Curb & Gutter in Lumberton	Robeson	0.795	42,028.80
US 401	Drainage Improvement in Wagram	Scotland	0.260	10,672.00
NC 42	Resurfacing 2 sections of primary and 5 sections of Secondary Road in Wilson Co.	Wilson	24.750	108,274.90
	Resurfacing 9 sections of Secondary Roads in Wayne County	Wayne	45.820	103,451.10
	Resurfacing 14 sections of Secondary Roads in Johnson County	Johnson	29.500	79,187.33
US 15	Resurfacing from SR 1421 to Virginia State Line	Granville	15.400	34,991.00
US 301, NC 581	Resurfacing 5 sections of Secondary Roads in Edgecombe County and 3 sections Primary Roads & 6 sections of Secondary Roads in Nash County	Edgecombe-Nash	61.750	159,904.00
	Resurfacing Secondary Roads in Cleveland County	Cleveland	14.550	95,255.00
NC 58	Resurfacing from US 17 in Maysville to NC 24	Jones-Carteret	18.800	65,439.00
US 421	Widening & Resurfacing in Goldston	Chatham	0.359	35,831.85
	Enlarging the existing Ferry Channel across Bogue Sound from Bayshore Pk. to Bogue Bank	Carteret	—	44,571.00
US 70	Resurfacing from S. W. City limits of Atlantic to N. E. City limit and from US 70 in Atlantic, S. E. to Dead End, Resurfacing from S. W. City limits of Atlantic Beach Eastward. Trent Avenue in New Bern.	Carteret-Craven	1.812	55,125.10
NC 11, US 70, US 258	Widening and Resurfacing 2 sections of Primary Roads & 1 section of Secondary Roads in Ayden.	Pitt-Lenoir	4.681	116,771.15
SR 2565	Resurfacing 3 sections of streets and widening and Resurfacing 1 street in Kinston.	Guilford	1.250	37,978.60
NC 22	Surfacing Hicone Road from US 29, Easterly to Eckerson Road (SR 2790)	Randolph	0.152	6,375.88
US 421	Resurfacing Franklinville, From 114 ft. W. of Rose Street to Academy St.	Chatham	0.381	18,659.25
NC 67	Drainage Improvement in Siler City	Wilkes-Yadkin	3.150	32,308.20
	Resurfacing Six sections of Primary Roads—NC 67, 16, 115 & 268			
US 21, 70, I-40	Resurfacing Four sections of Secondary Rds., One Primary Road, One Primary and two Interstate Bridges	Alexander- Catawba-Fredell	22.445	136,270.75
SR 1520	Surfacing from SR 1507 to NC 3	Beaufort	4.337	28,240.20
	Surfacing 7 sections of Secondary Roads in Green & Lenoir Counties	Green-Lenoir	12.700	83,776.50

SR 1542	Resurfacing SR 1542 from SR 1451 to US 74 and US 74 to Dead End in Wrightsville	New Hanover	2,460	31,942.50
US 74	Beach and Market Street from SR 1301 to ACL R. R. in Wilmington	Sampson	1,129	140,078.00
	Improvement of McKay St. in Clinton from Faison St. to Bridge over Mill Branch	Wake	0.782	97,304.75
	Widening Dry Avenue, Breeze Road, Walnut Street & Walker Street in Cary	Avery	2,700	40,146.00
NC 194	Resurfacing NC 194, Newland			
US 21, 64,				
NC 152, 115,				
NC 7, 277,	Resurfacing 5 sections of Primary Roads and 7 sections of Secondary Roads	Catawba-Fredell	16,110	87,111.00
273, 275 US 64				
	Resurfacing 5 sections of Primary Roads and 14 sections of Secondary Roads	Gaston-Lincoln	25,960	146,143.33
	Resurfacing of Kivett Drive, High Point	Guilford	2,650	45,082.60
	Resurfacing S. Main Street, Graham	Alamance	0.500	21,794.00
	Access road, East Carolina College	Pitt	0.282	30,182.50
NC 11	Resurfacing 3 sections of Secondary Roads & 1 section of Primary Roads	Lenoir-Green-Jones	29,500	125,666.00
NC 304 &				
NC 101	Resurfacing 5 sections of Secondary Roads & 2 sections of Primary Roads	Pamlico-Craven-		
US 264	Resurfacing 5 sections of Secondary Roads & 1 section of Primary Road	Carteret	24,630	102,819.00
US 64, 70		Pitt-Beaufort	18,400	78,016.00
NC 181	Resurfacing & Surfacing 6 sections of Primary & 7 sections of Secondary Roads	Burke	5,340	54,044.25
NC 54	Resurfacing from Nelson west to Orange County Line	Durham	9,500	44,715.30
SR 1118,	Surfacing from SR 1113 to Dead End	Craven	1,060	8,247.70
SR 1119	Surfacing from SR 1113 to SR 1118	Wake	—	29,911.84
SR 2711	Bridge on Secondary Road 2711 between SR 1006 & NC 50	Durham	2,632	291,053.70
US 501	Widening & Resurfacing from Maynard Ave. in Durham to Approx. 1000 ft. N. of SR 1643	Chowan	1,450	87,264.00
US 17, NC 32	Improvement in and near Edenton			
SR 1413	Grading & Drainage from SR 1409 to US 17	Beaufort	3,531	31,380.80
SR 1509	Grading & Drainage from US 17 to SR 1422	Craven	2,023	18,203.50
SR 1478	Grading & Drainage from NC 118 to NC 43			
SR 1715	Improvement from SR 1700 to SR 1725			
SR 1704	Improvement of US 264 to SR 1725	Pitt	3,445	87,216.00
NC 242	Improvement in Salsburg from SR 1409 to SR 1323	Sampson	0.589	65,106.50
NC 171	Resurfacing from Beaufort County Lane to US 64	Martin	13,400	76,335.00
NC 11 &				
US 70	Resurfacing 7 sections of Primary & 3 sections of Secondary Roads	Lenoir-Jones-Greene-Craven	32,250	178,492.00

Appendix "D" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
NC 11, 33	Resurfacing NC 11 & US 13 between Grindle Creek Bridge & C & G section in Bethel	Pitt	13.500	72,315.50
US 13	Resurfacing NC 33 from NC 903 to NC 30	Duplin-Onslow	25.100	108,197.50
NC 24, 11	Resurfacing 3 sections of Primary & 3 sections of Secondary Roads	New Hanover- Pender-		
US 17-74,	Resurfacing 4 sections of Primary & 1 section of Secondary Roads	Brunswick	37.300	159,005.90
76, 401	Resurfacing 2 sections of Primary & 2 sections of Secondary Roads	Sampson	18.100	58,690.50
NC 242	Improvement of Ingold Avenue in Garland			
	Improvement on East Johnson Street in Clinton	Sampson	1.082	157,904.50
US 701	Resurfacing various streets and road in vicinity of Rocky Mt. & Pinetops	Edgecombe-Nash	19.840	130,337.00
US 64	Resurfacing from SR 1451 to Harnett Co. Line			
NC 87,	Resurfacing	Cumberland	4.100	31,407.20
US 301,	Resurfacing	Harnett	8.900	53,018.70
NC 87	Resurfacing	Robeson	16.500	97,335.00
US 74	Grading & Drainage in Lumberton	Robeson	0.623	33,653.00
US 301	Grading & Drainage in Maxton	Robeson	0.176	5,502.00
NC 71	Resurfacing from US 801 to Wingate City Limit			
US 74,	Resurfacing from Monroe to S. C. Line	Union	17.990	137,151.00
NC 200	Bituminous Retreatment on forty-two sections of Secondary Roads	Union	90.900	112,042.70
	Resurfacing Roads & Streets in and near Charlotte	Mecklenburg	11.250	161,353.90
	Bridge over New River between NC 194 and SR 1500	Ashe	—	61,593.86
	Resurfacing Streets & Roads in and near N. Wilkesboro, Wilkesboro, Lenoir, Hudson	Wilkes-Caldwell Haywood-	6.570	55,608.35
US 421		Henderson-Polk-		
	Resurfacing 11 sections of Primary & 5 sections of Secondary Roads	Transylvania	15.490	163,849.33
NC 33	Bridge over Choewinity Creek and approaches on NC 33	Beaufort	0.151	61,707.15
NC 711,				
SR 1340	Drainage, Curb & Gutter in Pembroke	Robeson	0.677	32,025.20
SR 1316	Relocation in vicinity of SR 1336 N. W. of Roxboro	Person	0.982	40,143.80
SR 1504	Bridge over Big Creek on SR 1504 between SR 1484 & NC 89	Stokes	—	40,295.72

NC 268	Improvement in N. Wilkesboro.	Wilkes	0.900	223,970.03
US 264	Improvement at Belhaven.	Beaufort	1.069	77,285.25
NC 55	Widening & Resurfacing 2 sections of Wright St. & Resurfacing a section of Wilmington St. in Burgaw	Pender	0.642	72,106.30
NC 125, 48	Improvement from SR 1182 to Academy St. in Holly Springs.	Wake	0.352	31,567.50
562	Resurfacing 3 sections of Primary Roads & 5 sections of Secondary Roads	Halifax	34.070	113,391.00
US 14, 264	Resurfacing 2 sections of Primary Roads & 7 sections of Secondary Roads	Nash-Edgemcombe	22.500	103,419.79
US 117	Resurfacing 6 sections of Primary Roads & 8 sections of Secondary Roads.	Wayne	39.420	126,036.86
US 264,	Resurfacing 2 sections of Primary Roads & 4 sections of Secondary Roads	Wilson	12.500	68,755.89
NC 42	Improvement of Bragg St. in Sanford between Charlotte Ave. & 7th St.	Lee	0.974	91,220.30
SR 1514	Bridge over Fishing Creek on SR 1613 between NC 96 and SR 1622.	Granville	—	61,047.64
SR 1643	Resurfacing 5 sections of Secondary Roads	Chatham	23.670	94,395.25
US 220	Resurfacing 5 sections of US 220 between Asheboro & Guilford Co. Line			
SR 1004	Resurfacing SR 1004 West of Asheboro			
SR 1408	Resurfacing SR 1408 from US 64 N. to SR 1004	Randolph	22.830	120,720.25
SR 1124	Resurfacing 16 sections of Secondary Roads	Buncombe	30.560	146,784.00
US 17	Bridge over Hitchcock Creek	Richmond	0.568	146,970.62
	Widening & Resurfacing in Vanceboro.	Craven	0.279	34,680.50
	Surfacing 3 sections of Secondary Roads	Green-Lenoir	3.362	24,690.00
	Surfacing 8 sections of Secondary Roads	Sampson-Duplin	12.530	78,761.00
NC 41	Widening & Resurfacing Center & Salem St. in Apex	Wake	0.504	58,888.00
SR 1704	Resurfacing 1 section of Primary and 6 sections of Secondary Roads.	Robeson	22.300	83,712.00
US 74	Curb & Gutter in Whiteville.	Columbus	0.421	10,717.00
	Pedestrian Overpass in Shelby	Cleveland	—	40,858.48
	Resurfacing US 401 from Hoke County to SR 1105			
	Resurfacing US 401 from SR 1608 to SR 1609			
	Resurfacing US 301 from Cape Fear River to Eastover	Cumberland	27.200	135,189.63
	Resurfacing SR 1141, 1614, 1615, 1611, 1612, 1429, 1422			
	Resurfacing NC 90, Taylorsville to NC 127			
	Resurfacing SR 1303 from NC 150 to SR 1321			
	Resurfacing US 70 from NC 90 to Mulberry Street, Statesville			
	Resurfacing NC 10, Newton			
	Resurfacing NC 16 from SR 1712 North 1.5 miles	Lincoln-	14.850	114,441.26
	Resurfacing NC 226, Shelby	Alexander-Tredell		
	Resurfacing sections of US 74 between Shelby and Kings Mountain			
	Resurfacing NC 150 from SR 2069 Southeast 0.8 mile			
	Resurfacing SR 2052, 2053, 1300, 1168, 1323, 1115, 1118, 1121, 2050, 1848, 1168			
	Resurfacing NC 216, Kings Mountain.	Cleveland	17.120	80,800.95

Appendix "D" (Continued)

ROUTE	DESCRIPTION OF PROJECT	COUNTY	PROJECT LENGTH (miles)	PROJECT* COST (dollars)
NC 55	Resurfacing SR 1001, 1307 from NC 27-150 to US 321, Lincoln County	Lincoln-Gaston	13.740	83,406.36
	Resurfacing Sections of nine Secondary Roads, Gaston County			
	Resurfacing NC 274 from Boogertown to SR 2439			
US 311	Resurfacing NC 27 from NC 273 to Catawba River	Pitt	9.795	54,479.50
	Resurfacing US 321 from Lincoln Co. Line to High Shoals			
	Surfacing & Resurfacing 6 sections of Secondary Roads in vicinity of Farmville, Greenville and Ayden			
US 70 & NC 91	Resurfacing 3 sections of NC 55	Wake	9.660	87,813.25
	Widening & Resurfacing Rose & 7th Street in Sanford			
	Widening & Resurfacing Raleigh St. in Siler City from Southern RR to Dogwood Ave.			
US 70 & NC 91	Improvement in Walnut Cove	Chatham	0.179	20,484.00
	Surfacing 4 sections of Secondary Roads			
	Resurfacing 3 sections of Primary Roads			
		Stokes	0.250	27,677.80
		Cleveland	6.250	55,330.90
		Buncombe	7.400	64,603.00

*NOTE: Value of contract at the time of award to contractor. Does not include costs for rights-of-way, engineering, contingencies, etc

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